

Exhibit 4

Recovery Analysis for Each Debtor

1. General Assumptions

The information and data included in the Recovery Analysis are estimates derived from sources available to the Debtors. The Recovery Analysis is based on the financial activity of the Debtors and their Affiliates as of December 31, 2010, plus certain pro forma adjustments for material subsequent events, as described herein. The information is presented on a Debtor by Debtor basis and recoveries include estimated recoveries from other Debtors, Debtor-Controlled Entities and Non-Controlled Affiliates by way of payment on Intercompany Claims or equity Distributions. Intercompany Claims against the Debtors asserted by other Debtors, Debtor-Controlled Entities and Non-Controlled Affiliates are treated in accordance with the terms of the Plan. Certain significant transactions that occurred subsequent to December 31, 2010 have been recognized in the Recovery Analysis, including (i) LBHI's purchase of the SASCO 2008-C2, Spruce and Verano mezzanine notes from Bankhaus, (ii) LCPI's purchase of the Pine Class A-1 notes from Barclays and LBHI, and (iii) recoveries on certain collateral received as a result of the CDA with JPMorgan, but not yet included on the Balance Sheets.² These adjustments are based on available information at the time of the preparation of this analysis.

The recoveries for each Debtor are based on expected undiscounted cash flows from assets managed in an orderly wind down and/or sale over the period from January 1, 2011 through December 31, 2014 (the "Forecast Period"). For unliquidated assets at the end of the expected recovery period, the Debtors have included these in the Recovery Analysis at the assets' estimated sales value at that time. The Recovery Analysis amounts differ from the presentation of assets in the Balance Sheets disclosed by the Debtors' MORs, where assets are generally presented on a discounted cash flow basis. A description of the manner in which assets are presented in the MORs is included in each MOR and the notes thereto.

In preparing this Recovery Analysis, the Debtors made various estimates and assumptions based on available information. Therefore, actual results may differ from estimated recoveries and could have a material effect on the recovery percentages. As more information becomes available to the Debtors, including the outcome of various negotiations and litigation, it is expected that estimates included in the Recovery Analysis will change, potentially in a material respect.

The Debtors may realize cash flows from certain assets in advance of the timing forecast in the Recovery Analysis, either opportunistically as in the case of an early sale or strategic alternative that the Debtors believe is in the best interests of their

² The Debtors continue to review those assets received for which market values are not readily available.

creditors, or as a function of factors out of the Debtors' control, as in the case of loan refinancings. Consequently, earlier monetization of assets may result in a reduction of total cash flows expected over the Forecast Period, (*e.g.*, forgone interest or dividends), but should accelerate distributions to creditors while mitigating risk of a longer holding period.

The Debtors have previously categorized their assets into various classes for balance sheet reporting. Below is a short description of these categories and the treatment accorded to them in the Recovery Analysis. All descriptions should be read in conjunction with the notes provided in the MORs.

a. Cash and Investments

Cash and investments include demand deposits, interest-bearing deposits with banks, U.S. government obligations, U.S. government guaranteed securities with maturities through December 31, 2012, and U.S. and foreign money market funds.

At December 31, 2010, the Debtors (together with all Debtor-Controlled Entities) had approximately \$20.4 billion in unrestricted Cash and investments, adjusted for the allocation of restricted Cash related to certain securitizations that is anticipated to be recovered by certain Debtors.

b. Cash and Investments Pledged or Restricted

Cash and investments pledged or restricted includes: (i) Cash collected on derivatives trades which collateralize notes, (ii) Cash collected by the Debtors on assets in which other parties (including other Debtors) have a secured interest, (iii) pre-petition balances on administrative hold by certain financial institutions, (iv) Cash remitted to LBHI related to securities transferred to LBHI under the JPM CDA, and (v) misdirected Cash received from third parties and other miscellaneous items. The Debtors (together with all Debtor-Controlled Entities) had approximately \$4.3 billion in Cash and investments pledged or restricted at December 31, 2010, adjusted for the allocation of restricted Cash expected to be recovered by certain Debtors related to certain securitizations.

c. Cash Seized

On November 16, 2010 the Bankruptcy Court issued a decision granting summary judgment to LBHI and LBSF with respect to litigation regarding Bank of America's application of approximately \$500 million of LBHI's funds to offset its Derivative Claims against the Debtors. Bank of America has appealed the Bankruptcy Court's decision. Therefore, such amount (and interest thereon) is not taken into account in the Recovery Analysis, pending further legal proceedings.

d. Financial Instruments and Other Inventory Positions

Certain Debtors and their Affiliates are parties to repurchase agreements and transactions with third parties. In certain cases, following a default by a Debtor of its

obligation to repurchase the subject securities, the third party seized the subject securities to offset its receivable from a Debtor.

Prior to the Commencement Date, LCPI also entered into repurchase agreements with other Debtors and Debtor-Controlled Entities. The appropriate accounting and legal treatment for a default on an intercompany repurchase agreement has been reviewed by the Debtors and their advisors. Based on this review, the Debtors have concluded that LCPI is likely entitled to certain of the assets and any cash collections in respect of such assets since the date of default. The Recovery Analysis accounts for these assets and cash collections accordingly. A detailed description of the internal repurchase agreements and related Claims is set forth in section VIII – “Treatment of Internal Repurchase Agreements” – of the Disclosure Statement.

Financial instruments include notes and equity interests (collectively, the “Securitization Instruments”) issued by securitization structures collateralized by assets (principally corporate and real estate loans) managed by certain Debtors on the Commencement Date. Recoveries on the Securitization Instruments are based on the undiscounted expected cash flows of the underlying collateral as of December 31, 2010, and are pro forma for certain notes acquired in 2011, as previously described in General Assumptions in this Exhibit. The Securitization Instruments are included in the Recovery Analysis as assets of the legal entities that the Debtors expect will receive the ultimate economic interest from such instruments. A description of the various Securitization Instruments in which the Debtors have an interest is set forth in section IV.H – “Securitization Structures” – of the Disclosure Statement.

e. Other Disclosures

The Recovery Analysis does not account for any recovery in the various litigation claims that the Debtors have asserted, or may assert in the future, the impact of which on the Debtors’ assets cannot be determined at this time.

2. Assumptions With Respect To Assets

a. Assumptions With Respect To Derivative Contracts

The Debtors’ estimated recovery amounts with respect to Derivative Contracts are determined using various internal models, data sources, and certain assumptions regarding contract provisions. The Derivative Contract recoveries include proceeds in which certain third parties may have a security interest. The Cash recovered from such assets is treated as encumbered by such security interests. As additional information with regard to Derivative Contracts becomes available, the estimates of recoveries will change. Such adjustments may be material.

Certain of the Debtors have entered into transactions to hedge their post-petition exposure and maintain value in certain non-terminated Derivative Contracts and certain other assets.

Through December 31, 2010, the Debtors have collected cumulative Cash of \$12.2 billion, net of collections on certain Derivative Contracts which collateralize certain notes. The Debtors estimate that they will collect, subsequent to December 31, 2010, an additional \$5.2 billion of cash on account of Derivative Contracts, including recovery of cash posted as collateral for hedging (or \$4.7 billion, if the recovery of cash posted as collateral and certain Derivative Contracts which collateralize certain notes is excluded from the calculation).

b. Assumptions With Respect to Real Estate Assets

Real Estate Assets include residential and commercial loans, residential and commercial real estate owned properties, joint venture equity interests in commercial properties, and other real estate related investments. Recoveries in respect of Real Estate Assets reflect estimates of future undiscounted cash flows over the Forecast Period plus a terminal value equal to the estimated sales value at the end of 2014. Estimated cash flows are consistent with the Debtors' strategy of actively managing core positions as general market conditions normalize, although receipts from certain opportunistic sales have been included. Any necessary non-operating disbursements to preserve value have also been included in the Recovery Analysis.

The Debtors estimate that they (together with all Debtor-Controlled Entities) will collect \$13.2 billion in cash from Real Estate Assets (\$12.4 billion, net of non-operating disbursements).

c. Assumptions With Respect to Loans

The Debtors' estimated receipts from loans are presented on an undiscounted cash flow basis with termination values equal to the estimated sale proceeds at December 31, 2014.

The Debtors' estimates of cash receipts include (i) principal, interest, and fee collections, (ii) full repayment of funded amounts at maturity for performing loans that mature prior to the end of 2014, (iii) an assumption that a subset of the loans will be restructured or refinanced in 2011, 2012, or 2013 (iv) proceeds from discretionary sales of loans that mature after the end of 2014 during the Forecast Period, (v) sale of the Asian loan portfolios by December 31, 2012, and (vi) sales of remaining non-performing loans by December 31, 2014.

Interest receipts on loans are calculated based on the interest rate applicable for each loan (which is based on LIBOR plus an interest rate spread).

The Debtors expect to enter into transactions to restructure non-performing loans and to continue terminating their unfunded commitments. The Debtors estimate that they (together with all Debtor-Controlled Entities) will recover \$4.8 billion in respect of Loans.

**d. Assumptions With Respect to
Private Equity/Principal Investments**

Private Equity/Principal Investments include equity and fixed-income direct investments in corporations, and general partner and limited partner interests in asset managers (including private equity) and in related funds.

The Debtors project that they (together with all Debtor-Controlled Entities) will recover \$9.5 billion of cash (\$9.2 billion, net of non-operating disbursements), from investments in private equity over the Forecast Period, inclusive of LBHI's interest in Neuberger Berman Group, for which the estimated recovery is described below. Required capital calls from other private equity investments are included in the non-operating disbursements in the Debtors' budgets.

As of December 31, 2010, LBHI and certain subsidiaries owned 93% of the Preferred Units and 48% of the aggregate common equity interests of Neuberger Berman Group. LBHI and its subsidiaries estimate its recovery on its preferred and common equity interests will be between \$1 billion and \$2 billion, depending on a number of factors including timing of recoveries.

As disclosed in section IV.GH.4 —“Private Equity/Principal Investments” of the Disclosure Statement, certain subsidiaries of LBHI are not in possession or do not have complete control of certain Private Equity/Principal Investment assets amounting to approximately \$431 million in forecasted cash flows included in the Recovery Analysis. In these instances a subsidiary is the holder of record of such asset, but the asset is held within an account controlled by an affiliated entity that is subject to a separate bankruptcy or foreign administration proceeding.

e. Assumptions With Respect to Other Assets

LBHI estimates that there will be a recovery of between \$1 to \$2 billion from the disposition of its interests in Aurora Bank and Woodlands Bank pursuant to the disposition requirements in the settlements approved by the Bankruptcy Court in November 2010.

Other Assets include recoveries on Claims of JPMorgan which were subrogated to LBHI and LBCS and other miscellaneous receivables.

The Recovery Analysis reflects the implementation by LBHI of the CDA entered into with JPMorgan. In exchange for authorizing the application of Cash and investments previously pledged to JPMorgan (and an additional Cash payment) as part of a provisional settlement for all known JPMorgan Claims, LBHI was subrogated to JPMorgan's claims against LBHI's Affiliates and recorded a receivable from LBHI's Affiliates of approximately \$9.4 billion (the “Subrogated Receivables”). LBHI also received securities from JPMorgan that had been provided to JPMorgan by various LBHI Affiliates to secure their obligations to JPMorgan.

The three largest components of the Subrogated Receivables recorded by LBHI are receivables from the following entities:

LBI	\$ 6.6 billion
LBSF	\$ 1.8 billion
LBIE	\$ 0.5 billion

LBHI continues to review the collateral received, which consists primarily of illiquid assets. An initial estimated recovery of \$4.5 – 5.5 billion has been made, which has been applied against the Subrogated Receivables. The majority of the securities returned have been evaluated, but given the illiquid nature of these securities, the actual results could vary materially.

For the purposes of the Plan and the Recovery Analysis, a claim by LBHI against another Debtor for a Subrogated Receivable is included as a General Unsecured Claim against that Debtor. LBSF and other Debtors in similar circumstances may be able to mitigate these liabilities, which could have a material impact on recoveries at these Debtors.

**f. Assumptions With Respect to
Prepetition Intercompany Receivables**

For the purpose of determining recoveries, the Plan assumes that all Affiliates recognize pre-petition balances as a basis for determining the amount of Debtors' and Debtor-Controlled Entities' claims against such Affiliates. Exhibit 8A sets forth the material intercompany balances as of December 31, 2010. For purposes of the Recovery Analysis, these balances have been adjusted by the Debtors to reflect implementation of the Plan and determine the estimated claims (see Exhibit 8B). Balances included in the Recovery Analysis have been netted to reflect the set-off of mutual debts (i.e., pre-petition debts against pre-petition debts), including the set-off of Affiliate Guarantee Claims against LBHI's intercompany receivables. Intercompany receivables include: (i) Derivative Contracts recorded at fair value in the Debtors' records as of September 14, 2008 or the applicable termination date, (ii) receivables derived from financings which are reflected net of cash and securities collateral, and (iii) normal course intercompany funding. The Recovery Analysis includes an estimate of \$4.2 billion as a recovery on net intercompany receivables from Non-Controlled Affiliates. Such amount is an estimate and the actual result could vary materially.

3. Assumptions With Respect to Claims

The Recovery Analysis takes into account all provisions of the Plan when calculating the recoveries and Plan Adjustment Percentages for each Class, including, without limitation, reallocation of portions of Distributions from certain Classes to other Classes, reduction in the Distribution LBHI will receive in respect of its Intercompany Claims against Subsidiary Debtors, and other settlements and compromises included in the Plan. See section X.B of the Disclosure Statement for further description of the Plan provisions affecting Claims and Distributions. In addition, the Recovery Analysis

includes Claims at amounts that the Debtors believe will be the Allowed amount of such Claims.

a. Administrative Expenses and Other

Estimates of the following have been included in the Recovery Analysis:

- i. Cash transfers and transactions following the applicable Commencement Date.
- ii. Post-petition expenses for all Debtors.
- iii. Compensation and Reimbursement claims relating to the compensation of professionals and reimbursement of expenses incurred but unpaid by such professionals for work through December 31, 2010, as well as estimates through the end of the Forecast Period.
- iv. Priority Tax Claims: The Recovery Analysis includes an estimate of approximately \$2 billion for all Priority Tax Claims, including approximately \$1.4 billion against the Debtors and approximately \$600 million against Debtor-Controlled Entities. The allocation of this amount to Debtors and non-Debtor Affiliates is an estimate and is subject to continuing review and is likely to be changed in the future. For additional information regarding Priority Tax Claims, see section X.C.1.c — “Priority Tax Claims” – of the Disclosure Statement.
- v. Cash disbursements related to significant events that occurred subsequent to December 31, 2010 including LCPI’s purchase of the Pine notes from Barclays and LBHI with \$548 million of cash previously held by LCPI, and LBHI’s purchase of various securities from Bankhaus for \$957 million of cash previously held by LBHI.

b. Priority Non-Tax Claims

The Recovery Analysis includes an estimate of \$3 million for employee-related Priority Non-Tax Claims.

c. Secured Claims

For the purposes of the Recovery Analysis, cash flows from encumbered assets have been included, with an offsetting secured claim, as they will continue to be collected for the benefit of secured creditors. Any Cash received from the disposition of assets subject to a security agreement will be subject to the lien of such secured creditor.

d. General Unsecured Claims

The Debtors estimate that the amount of Allowed Claims (other than Guarantee Claims), will approximately equal the liabilities on the books and records of the applicable Debtor

as of the applicable Commencement Date, as set forth on the Debtors' balance sheets as of December 31, 2010, annexed as Exhibit 2B. Certain material adjustments were made to include (i) liabilities not reflected on the books and records (including liabilities related to terminated Derivative Contracts, estimated deficiency Claims related to certain repurchase agreements between LCPI and third parties, and Claims based on repurchase or indemnification obligations related to the sales of residential mortgage loans) and (ii) revaluation of Claims related to LBHI debt issuances denominated in non-U.S. Dollar currencies (See Exhibit 15).

Freddie Mac filed a claim (Claim No. 33568) against LBHI for approximately \$1.2 billion based on loans from Freddie Mac to LBHI (the "Freddie Mac Claim"). Freddie Mac has asserted that such claim is entitled to be treated as a priority claim under 12 U.S.C. 4617(b)(15)(D). The Debtors do not believe that the Freddie Mac Claim is entitled to be treated as a priority claim and therefore have included such Claim as a Senior Unsecured Claim in LBHI Class 3 for the purposes of the Recovery Analysis.

The Trustees of the Lehman Brothers Pension Scheme (the "UK Pension Scheme") and the Board of the Pension Protection Fund (together with the Trustees of the UK Pension Scheme, the "UK Pension Claimants") have filed contingent, unliquidated proofs of claim (the "UK Pension Claims") against LBHI and certain other Debtors in these Chapter 11 Cases.³ For the purpose of estimating claims, but for no other purpose, the UK Pension Claims have been included in the pool of general unsecured claims in LBHI's Chapter 11 Case at the estimated amount of £148 million, representing the last official calculation by the UK Pension Scheme's actuaries. For the basis of liability, the UK Pension Claims cite, among other things, certain regulatory actions which may be commenced by The Pensions Regulator of the United Kingdom (the "UK Pensions Regulator").⁴ Since the filing of the UK Pension Claims, LBHI and certain of its foreign Affiliates have been subject to one such regulatory action; a Determination Notice has been issued stating the intention to subsequently issue a Financial Support Direction ("FSD"), which requires those companies to seek approval of and implement an arrangement to provide financial support to the UK Pension Scheme. If LBHI or any of its affiliates subject to the FSD do not comply with the FSD, they may be issued a Contribution Notice ("CN") by the UK Pensions Regulator, which constitutes a claim against each such company. However, the UK Pensions Regulator and the UK Pension Claimants have entered into a Bankruptcy Court-ordered stipulation with LBHI whereby they will not take any enforcement action against LBHI without abiding by certain notice or hearing requirements. Two separate appeals relating to the FSD and the CN process are currently pending in the UK.

³ The other Debtors are BNC, CES, CES V, CES IX, East Dover, LB 745, LB 2080, LBCC, LBCS, LBPD, LBFP, LB Rose Ranch, LBSF, LCPI, LS Finance, LOTC, LUXCO, PAMI, and SASCO.

⁴ The UK Pension Claims only cite the regulatory actions described herein for the basis of liability, but no such regulatory actions have been taken in the United Kingdom against the other Debtors.

g. Subordinated Unsecured Claims

Subordinated Unsecured Claims include Claims against LBHI in respect of notes subordinated to senior bonds and certain other creditors in accordance with the terms of the underlying agreements. The Recovery Analysis assumes that such agreements are generally enforced in accordance with their terms. The Recovery Analysis takes into account Claims filed against the Debtors in respect of Subordinated Notes in the amount set forth on LBHI's balance sheets.

h. Intercompany Claims

The Recovery Analysis assumes that all Intercompany Claims are recognized beginning in the amounts set forth on the balance sheets as of the applicable Commencement Date. The material Intercompany Balances are set forth on Exhibit 8A. For purposes of the Recovery Analysis, these balances are subject to reconciliation, adjustment and the effect of certain Plan provisions, and have been netted to reflect the set-off of mutual debts (i.e., pre-petition debts against pre-petition debts, post-petition against post-petition (See Exhibit 8B)). With respect to Affiliate Guarantee Claims, the Recovery Analysis reduces such Claims to take into account the risk to such claimants of numerous issues, including (i) substantive consolidation and (ii) the enforceability of specific Guarantees.

Intercompany payables consist of (i) Derivative Contracts recorded at fair value in the Debtors' records as of September 14, 2008, (or the applicable termination date), (ii) intercompany payables derived from financings which are reflected net of collateral inventory and (iii) normal course intercompany funding.

Any intercompany transactions that occurred on or after the Commencement Date are treated as Administrative Claims. In accordance with the terms of the Plan, setoff of Intercompany Claims is calculated based on the Allowed amount of such Claims.

Certain of the Debtors have claims against Debtor-Controlled Entities, which entities may be insolvent. The Debtors may ultimately collect only a portion of the claim amounts against such entities.

Deutsche Bank acquired the Allowed Claim Against LCPI and the related Allowed Guarantee Claim Against LBHI (defined below in Exhibit 14A) from Bankhaus. Since such Claims are based on a contractual obligation of LCPI to an Affiliate, the Debtors have included the Allowed Claim Against LCPI in LCPI Class 5C as a Claim of an Affiliate other than LBHI and the Participating Subsidiary Debtors, and the Debtors have included the Allowed Guarantee Claim Against LBHI in LBHI Class 4B as a Senior Affiliate Guarantee Claim. Deutsche Bank disputes such classifications and asserts that such Claims should be included in LCPI Class 4A as a General Unsecured Claim against LCPI and in LBHI Class 7 as a General Unsecured Claim against LBHI.

4. Net Distributable Assets, Recovery Analysis And Reconciliation Tables.

Included in this Exhibit are tables containing the Net Distributable Assets for each Debtor, the Recovery Analysis for each Debtor and Reconciliation Tables for LBHI and the Participating Subsidiary Debtors. The Reconciliation Tables provide detail regarding the effects of the Plan provisions on the recoveries to certain creditors of LBHI and the Participating Subsidiary Debtors.

The Plan provides that a portion of Distributions to certain other classes will be reallocated to holders of Allowed Claims in LBHI Classes 3 and 7. The gross effect of the Plan Adjustment reallocation is set forth on a Debtor by Debtor basis in the Net Distributable Assets Table, and on a Class by Class basis on the Reconciliation Tables in the "Plan Adjustment" column on the following page.

Net Distributable Assets For Each Debtor

<i>(\$ in millions)</i>	Beginning Cash 12/31/10	Cash From Operations	Interco. and Other Receipts	Equity In Affiliates	Post- Petition Admin. Claim¹	Post- Petition Interco. Payables	Distributable Assets	Plan Adjustment	Net Distributable Assets
LBHI	\$ 6,238	\$ 8,405	\$ 28,860	\$ 2,727	\$ (2,592)	\$ (2,316)	\$ 41,322	\$ 2,390	\$ 43,712
LCPI	2,992	9,595	4,096	273	(585)	(124)	16,248	(1,280)	14,967
LBCS	1,638	329	99	-	-	(16)	2,050	(198)	1,852
LBSF	8,594	3,850	1,163	349	(19)	(122)	13,816	(793)	13,023
LOTG	233	149	-	-	-	(5)	376	(26)	350
LBCC	540	157	3	-	-	(7)	693	(92)	602
LBDP	390	10	0	-	-	(0)	400	-	400
LBFP	423	65	0	-	-	(1)	488	-	488
LB 745	-	-	348	-	-	-	348	-	348
PAMI Statler	-	13	-	-	-	(13)	-	-	-
CES	0	-	23	-	-	-	24	-	24
CES V	0	-	3	-	-	-	3	-	3
CES IX	0	-	6	-	-	-	6	-	6
East Dover	0	-	52	0	-	(0)	52	-	52
LS Finance	2	-	2	-	-	(0)	3	-	3
LUXCO	7	374	0	-	-	(286)	96	-	96
BNC Mortgage	17	-	0	-	-	(0)	17	-	17
LB Rose Ranch	2	8	-	-	-	(6)	4	-	4
SASCO	-	-	319	-	-	(0)	319	-	319
LB 2080	-	-	0	-	-	(0)	0	-	0
Merit LLC	0	24	9	-	-	(0)	32	-	32
Preferred Somerset	-	-	-	-	-	-	-	-	-
Somerset	-	-	-	-	-	-	-	-	-

¹ Includes Priority Tax Claims and Administrative Expense Claims as of December 31, 2010

As it appears on the above table, “-” means \$0, and “\$0” means an amount between \$0 and \$500,000.
Totals may not foot across due to rounding.

Recovery Analysis for LBHI

(\$ in millions)

	Estimated Plan Assets			Estimated Allowed Claims ³	Estimated Plan Recovery	
					\$	%
Cash & Cash Equivalents	\$2,723	Class 1:	Priority Non-Tax Claims	\$3	\$3	100.0%
Restricted Cash	3,515	Class 2:	Secured Claims	2,481	2,481	100.0%
<u>Financial Instruments & Other Inventory</u>		Class 3:	Senior Unsecured Claims	83,724	17,678	21.1%
Real Estate	4,353	Class 4A: ⁴	Senior Affiliate Claims	52,327	8,147	15.6%
Loans	596	Class 4B: ⁴	Senior Affiliate Guarantee Claims	11,563	1,758	15.2%
Principal Investments	1,613					
Derivatives & Other Contracts	--					
Other Assets	2,486	Class 5:	Senior Third-Party Guarantee Claims	52,702	6,410	12.2%
Operating Asset Recoveries	\$15,285	Class 6A:	Convenience Claims	54	14	26.0%
Recovery on Intercompany Receivables	25,913	Class 6B:	Convenience Guarantee Claims	332	56	17.0%
Recovery on Other Receivables	2,946	Class 7:	General Unsecured Claims	11,390	2,267	19.9%
Equity Interests in Affiliates	2,727					
TOTAL ASSETS	\$46,872	Class 8: ⁴	Affiliate Claims	1,446	208	14.4%
<u>Administrative Expenses¹</u>		Class 9A:	Third-Party Guarantee Claims other than those of the Racers Trusts	39,658	4,555	11.5%
Administrative Expenses & Other ²	(\$2,592)	Class 9B:	Third-Party Guarantee Claims of the Racers Trusts	1,948	136	7.0%
Post-Petition Intercompany Payables	(2,316)	Class 10A:	Subordinated Class 10A Claims	3,436	--	--
Operating Disbursements	(641)	Class 10B:	Subordinated Class 10B Claims	10,343	--	--
		Class 10C:	Subordinated Class 10C Claims	1,499	--	--
		Class 11:	Section 510(b) Claims	--	--	--
DISTRIBUTABLE ASSETS	\$41,322	Class 12:	Equity Interests	--	--	--
Plan Adjustment from Part. Debtors	\$2,390					
NET DISTRIBUTABLE ASSETS	\$43,712	TOTALS		\$272,904	\$43,712	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Includes \$300 million for Debtor Allocation Agreement in accordance with Section 6.3 of the Plan.

3 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

4 Represents Claims after the effects of setoff.

Recovery Analysis for LCPI

(\$ in millions)

	Estimated Plan Assets			Estimated Allowed Claims²	Estimated Plan Recovery	
					\$	%
Cash & Cash Equivalents	\$2,951	Class 1:	Priority Non-Tax Claims	--	--	--
Restricted Cash	41	Class 2:	Secured Claims	\$144	\$144	100.0%
<u>Financial Instruments & Other Inventory</u>		Class 3:	Convenience Claims	1	0	60.0%
Real Estate	5,334					
Loans	4,093	Class 4A: ⁴	General Unsecured Claims other than those of Designated Entities	2,752	1,533	55.7%
Principal Investments	663					
Derivatives & Other Contracts	49	Class 4B:	General Unsecured Claims of Designated Entities	5,230	2,534	48.4%
Other Assets	124	Class 5A: ³⁴	Affiliate Claims of LBHI	17,857	8,216	46.0%
Operating Asset Recoveries	\$13,255	Class 5B: ³	Affiliate Claims of Participating Subsidiary Debtors	5	3	48.4%
Recovery on Intercompany Receivables	\$4,096	Class 5C: ³	Affiliate Claims other than those of Participating Debtors	4,871	2,537	52.1%
Recovery on Affiliate Guarantees	--					
Equity Interests in Affiliates	273	Class 6:	Equity Interests	--	--	--
TOTAL ASSETS	<u>\$17,624</u>					
<u>Administrative Expenses¹</u>						
Administrative Expenses & Other	(\$585)					
Post-Petition Intercompany Payables	(124)					
Operating Disbursements	(668)					
DISTRIBUTABLE ASSETS	<u>\$16,248</u>					
Contribution to Plan Adjustments	(\$1,280)					
NET DISTRIBUTABLE ASSETS	<u>\$14,967</u>	TOTALS		<u>\$30,861</u>	<u>\$14,967</u>	

- Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".
- 1 Comprised of administrative expenses, professional compensation and priority tax claims.
- 2 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.
- 3 Represents Claims after the effects of setoff.
- 4 The first \$100 million of Distributions made to Class 5A on account of its Allowed Affiliate Claim has been redistributed to Class 4A in accordance with Section 6.5(e) of the Plan.

Recovery Analysis for LBCS

(\$ in millions)

	Estimated Plan Assets			Estimated Allowed Claims²	Estimated Plan Recovery	
					\$	%
Cash & Cash Equivalents	\$1,601	Class 1:	Priority Non-Tax Claims	--	--	--
Restricted Cash	38	Class 2:	Secured Claims	\$38	\$38	100.0%
<u>Financial Instruments & Other Inventory</u>		Class 3:	Convenience Claims	0	0	55.0%
Real Estate	--	Class 4:	General Unsecured Claims	2,371	1,205	50.8%
Loans	--	Class 5A: ³	Affiliate Claims of LBHI	1,515	599	39.5%
Principal Investments	--					
Derivatives & Other Contracts	326	Class 5B: ³	Affiliate Claims of Participating Subsidiary Debtors	--	--	--
Other Assets	10	Class 5C: ³	Affiliate Claims other than those of Participating Debtors	20	10	50.8%
Operating Asset Recoveries	\$1,975	Class 6:	Equity Interests	--	--	--
Recovery on Intercompany Receivables	\$99					
Recovery on Affiliate Guarantees	--					
Equity Interests in Affiliates	--					
TOTAL ASSETS	<u>\$2,074</u>					
<u>Administrative Expenses¹</u>						
Administrative Expenses & Other	--					
Post-Petition Intercompany Payables	(\$16)					
Operating Disbursements	(7)					
DISTRIBUTABLE ASSETS	<u>\$2,050</u>					
Contribution to Plan Adjustments	(\$198)					
NET DISTRIBUTABLE ASSETS	<u>\$1,852</u>	TOTALS		<u>\$3,944</u>	<u>\$1,852</u>	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

3 Represents Claims after the effects of setoff.

Recovery Analysis for LBSF

(\$ in millions)

	Estimated Plan Assets			Estimated Allowed Claims³	Estimated Plan Recovery	
					\$	%
Cash & Cash Equivalents	\$7,937	Class 1:	Priority Non-Tax Claims	--	--	--
Restricted Cash	657	Class 2:	Secured Claims	\$765	\$765	100.0%
<u>Financial Instruments & Other Inventory</u>		Class 3:	Convenience Claims	7	2	32.0%
Real Estate	--					
Loans	1	Class 4A: ⁵⁶	General Unsecured Claims other than those of the Racers Trust	22,685	6,326	27.9%
Principal Investments	--					
Derivatives & Other Contracts	4,033	Class 4B:	General Unsecured Claims of the Racers Trust	1,948	277	14.2%
Other Assets	16	Class 5A: ⁴⁵	Affiliate Claims of LBHI	18,320	4,379	23.9%
Operating Asset Recoveries	\$12,644	Class 5B: ⁴	Affiliate Claims of Participating Subsidiary Debtors	522	122	23.4%
Recovery on Intercompany Receivables	\$1,163	Class 5C: ⁴⁶	Affiliate Claims other than those of Participating Debtors	4,195	1,151	27.4%
Recovery on Affiliate Guarantees	--					
Equity Interests in Affiliates	349	Class 6:	Equity Interests	--	--	--
TOTAL ASSETS	<u>\$14,156</u>					
<u>Administrative Expenses¹</u>						
Administrative Expenses & Other	(\$19)					
Post-Petition Intercompany Payables	(122)					
Operating Disbursements	(500)					
Debtors' Cost Allocation ²	300					
DISTRIBUTABLE ASSETS	\$13,816					
Contribution to Plan Adjustments	(\$793)					
NET DISTRIBUTABLE ASSETS	<u>\$13,023</u>	TOTALS		<u>\$48,441</u>	<u>\$13,023</u>	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 In accordance with Debtor Allocation Agreement, Section 6.3 of the Plan.

3 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

4 Represents Claims after the effects of setoff.

5 The first \$100 million of Distributions made to Class 5A on account of its Allowed Affiliate Claim has been redistributed to Class 4A in accordance with Section 6.5(f) of the Plan.

6 Recovery percentage before potential Distribution in accordance with Section 6.5(d) of the Plan.

Recovery Analysis for LOTC

(\$ in millions)

	Estimated Plan Assets			Estimated Allowed Claims²	Estimated Plan Recovery	
					\$	%
Cash & Cash Equivalents	\$233	Class 1:	Priority Non-Tax Claims	--	--	--
Restricted Cash	--	Class 2:	Secured Claims	--	--	--
<u>Financial Instruments & Other Inventory</u>		Class 3:	Convenience Claims	\$0	\$0	34.0%
Real Estate	--					
Loans	--	Class 4:	General Unsecured Claims	590	175	29.6%
Principal Investments	--					
Derivatives & Other Contracts	163	Class 5A: ³	Affiliate Claims of LBHI	194	50	25.8%
Other Assets	--	Class 5B: ³	Affiliate Claims of Participating Subsidiary Debtors	8	2	25.8%
Operating Asset Recoveries	\$396	Class 5C: ³	Affiliate Claims other than those of Participating Debtors	414	123	29.6%
Recovery on Intercompany Receivables	--	Class 6:	Equity Interests	--	--	--
Recovery on Affiliate Guarantees	--					
Equity Interests in Affiliates	--					
TOTAL ASSETS	<u>\$396</u>					
<u>Administrative Expenses¹</u>						
Administrative Expenses & Other	--					
Post-Petition Intercompany Payables	(\$5)					
Operating Disbursements	(15)					
DISTRIBUTABLE ASSETS	<u>\$376</u>					
Contribution to Plan Adjustments	(\$26)					
NET DISTRIBUTABLE ASSETS	<u>\$350</u>	TOTALS		<u>\$1,207</u>	<u>\$350</u>	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

3 Represents Claims after the effects of setoff.

Recovery Analysis for LBCC

(\$ in millions)

	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Plan Recovery	
					\$	%
Cash & Cash Equivalents	\$535	Class 1:	Priority Non-Tax Claims	--	--	--
Restricted Cash	5	Class 2:	Secured Claims	\$5	\$5	100.0%
Financial Instruments & Other Inventory		Class 3:	Convenience Claims	0	0	40.0%
Real Estate	--	Class 4:	General Unsecured Claims	609	218	35.8%
Loans	--	Class 5A: ³	Affiliate Claims of LBHI	133	--	--
Principal Investments	--					
Derivatives & Other Contracts	175	Class 5B: ³	Affiliate Claims of Participating Subsidiary Debtors	572	182	31.8%
Other Assets	--	Class 5C: ³	Affiliate Claims other than those of Participating Debtors	550	197	35.8%
Operating Asset Recoveries	\$715	Class 6:	Equity Interests	--	--	--
Recovery on Intercompany Receivables	\$0					
Recovery on Affiliate Guarantees	3					
Equity Interests in Affiliates	--					
TOTAL ASSETS	<u>\$718</u>					
<u>Administrative Expenses¹</u>						
Administrative Expenses & Other	--					
Post-Petition Intercompany Payables	(7)					
Operating Disbursements	(\$18)					
DISTRIBUTABLE ASSETS	<u>\$693</u>					
Contribution to Plan Adjustments	(\$92)					
NET DISTRIBUTABLE ASSETS	<u>\$602</u>	TOTALS		<u>\$1,869</u>	<u>\$602</u>	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

3 Represents Claims after the effects of setoff.

Recovery Analysis for LBDP

(\$ in millions)

	Estimated Plan Assets			Estimated Allowed Claims²	Estimated Plan Recovery	
					\$	%
Cash & Cash Equivalents	\$390	Class 1:	Priority Non-Tax Claims	--	--	--
Restricted Cash	0	Class 2:	Secured Claims	\$0	\$0	100.0%
<u>Financial Instruments & Other Inventory</u>		Class 3: ⁴	General Unsecured Claims	76	76	100.0%
Real Estate	--					
Loans	--	Class 4A: ³	Affiliate Claims of LBHI	--	--	--
Principal Investments	--					
Derivatives & Other Contracts	10	Class 4B: ³⁴	Affiliate Claims of Affiliates other than those of LBHI	123	123	100.0%
Other Assets	--	Class 5:	Equity Interests	--	201	--
Operating Asset Recoveries	\$401					
Recovery on Intercompany Receivables	\$0					
Recovery on Affiliate Guarantees	--					
Equity Interests in Affiliates	--					
TOTAL ASSETS	\$401					
<u>Administrative Expenses¹</u>						
Administrative Expenses & Other	--					
Post-Petition Intercompany Payables	(\$0)					
Operating Disbursements	(0)					
DISTRIBUTABLE ASSETS	\$400					
Contribution to Plan Adjustments	--					
NET DISTRIBUTABLE ASSETS	\$400	TOTALS		\$199	\$400	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

3 Represents Claims after the effects of setoff.

4 These claims may be entitled to post-petition interest at a rate to be determined by the Bankruptcy Court.

Recovery Analysis for LBFP

(\$ in millions)

	Estimated Plan Assets			Estimated Allowed Claims²	Estimated Plan Recovery	
					\$	%
Cash & Cash Equivalents	\$423	Class 1:	Priority Non-Tax Claims	--	--	--
Restricted Cash	--	Class 2:	Secured Claims	--	--	--
<u>Financial Instruments & Other Inventory</u>		Class 3: ⁴	General Unsecured Claims	\$60	\$60	100.0%
Real Estate	--					
Loans	--	Class 4A: ³⁴	Affiliate Claims of LBHI	1	1	80.0%
Principal Investments	--					
Derivatives & Other Contracts	67	Class 4B: ³⁴	Affiliate Claims of Affiliates other than those of LBHI	203	203	100.0%
Other Assets	--	Class 5:	Equity Interests	--	223	--
Operating Asset Recoveries	\$491					
Recovery on Intercompany Receivables	\$0					
Recovery on Affiliate Guarantees	--					
Equity Interests in Affiliates	--					
TOTAL ASSETS	\$491					
<u>Administrative Expenses¹</u>						
Administrative Expenses & Other	--					
Post-Petition Intercompany Payables	(\$1)					
Operating Disbursements	(2)					
DISTRIBUTABLE ASSETS	\$488					
Contribution to Plan Adjustments	--					
NET DISTRIBUTABLE ASSETS	\$488	TOTALS		\$265	\$488	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

3 Represents Claims after the effects of setoff.

4 These claims may be entitled to post-petition interest at a rate to be determined by the Bankruptcy Court.

Recovery Analysis for LB 745

(\$ in millions)

	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Plan Recovery	
					\$	%
Cash & Cash Equivalents	--	Class 1:	Priority Non-Tax Claims	--	--	--
Restricted Cash	--	Class 2:	Secured Claims	--	--	--
Financial Instruments & Other Inventory		Class 3: ⁴	General Unsecured Claims	\$2	\$2	100.0%
Real Estate	--					
Loans	--	Class 4A: ³⁴	Affiliate Claims of LBHI	46	36	79.1%
Principal Investments	--					
Derivatives & Other Contracts	--	Class 4B: ³	Affiliate Claims of Affiliates other than those of LBHI	--	--	--
Other Assets	--	Class 5:	Equity Interests	--	310	--
Operating Asset Recoveries	--					
Recovery on Intercompany Receivables	\$348					
Recovery on Affiliate Guarantees	--					
Equity Interests in Affiliates	--					
TOTAL ASSETS	\$348					
<u>Administrative Expenses¹</u>						
Administrative Expenses & Other	--					
Post-Petition Intercompany Payables	--					
Operating Disbursements	--					
DISTRIBUTABLE ASSETS	\$348					
Contribution to Plan Adjustments	--					
NET DISTRIBUTABLE ASSETS	\$348	TOTALS		\$48	\$348	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

3 Represents Claims after the effects of setoff.

4 These claims may be entitled to post-petition interest at a rate to be determined by the Bankruptcy Court.

Recovery Analysis for PAMI STATLER

(\$ in millions)

	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Plan Recovery	
					\$	%
Cash & Cash Equivalents	--	Class 1:	Priority Non-Tax Claims	--	--	--
Restricted Cash	--	Class 2:	Secured Claims	--	--	--
Financial Instruments & Other Inventory		Class 3:	General Unsecured Claims	\$0	--	--
Real Estate	\$13					
Loans	--	Class 4A: ³	Affiliate Claims of LBHI	0	--	--
Principal Investments	--					
Derivatives & Other Contracts	--	Class 4B: ³	Affiliate Claims of Affiliates other than those of LBHI	--	--	--
Other Assets	--	Class 5:	Equity Interests	--	--	--
Operating Asset Recoveries	\$13					
Recovery on Intercompany Receivables	--					
Recovery on Affiliate Guarantees	--					
Equity Interests in Affiliates	--					
TOTAL ASSETS	\$13					
<u>Administrative Expenses¹</u>						
Administrative Expenses & Other	--					
Post-Petition Intercompany Payables	(13)					
Operating Disbursements	--					
DISTRIBUTABLE ASSETS	--					
Contribution to Plan Adjustments	--					
NET DISTRIBUTABLE ASSETS	--	TOTALS		\$0	--	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

3 Represents Claims after the effects of setoff.

Recovery Analysis for CES

(\$ in millions)

	Estimated Plan Assets			Estimated Allowed Claims²	Estimated Plan Recovery	
					\$	%
Cash & Cash Equivalents	\$0	Class 1:	Priority Non-Tax Claims	--	--	--
Restricted Cash	--	Class 2:	Secured Claims	--	--	--
<u>Financial Instruments & Other Inventory</u>		Class 3: ⁴	General Unsecured Claims	\$0	\$0	100.0%
Real Estate	--					
Loans	--	Class 4A: ³⁴	Affiliate Claims of LBHI	22	17	80.0%
Principal Investments	--					
Derivatives & Other Contracts	--	Class 4B: ³⁴	Affiliate Claims of Affiliates other than those of LBHI	1	1	100.0%
Other Assets	--	Class 5:	Equity Interests	--	5	--
Operating Asset Recoveries	\$0					
Recovery on Intercompany Receivables	\$23					
Recovery on Affiliate Guarantees	--					
Equity Interests in Affiliates	--					
TOTAL ASSETS	\$24					
<u>Administrative Expenses¹</u>						
Administrative Expenses & Other	--					
Post-Petition Intercompany Payables	--					
Operating Disbursements	--					
DISTRIBUTABLE ASSETS	\$24					
Contribution to Plan Adjustments	--					
NET DISTRIBUTABLE ASSETS	\$24	TOTALS		\$23	\$24	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

3 Represents Claims after the effects of setoff.

4 These claims may be entitled to post-petition interest at a rate to be determined by the Bankruptcy Court.

Recovery Analysis for CES V

(\$ in millions)

	Estimated Plan Assets			Estimated Allowed Claims²	Estimated Plan Recovery	
					\$	%
Cash & Cash Equivalents	\$0	Class 1:	Priority Non-Tax Claims	--	--	--
Restricted Cash	--	Class 2:	Secured Claims	--	--	--
<u>Financial Instruments & Other Inventory</u>		Class 3:	General Unsecured Claims	\$0	\$0	51.9%
Real Estate	--					
Loans	--	Class 4A: ³	Affiliate Claims of LBHI	8	3	41.5%
Principal Investments	--					
Derivatives & Other Contracts	--	Class 4B: ³	Affiliate Claims of Affiliates other than those of LBHI	0	0	51.9%
Other Assets	--	Class 5:	Equity Interests	--	--	--
Operating Asset Recoveries	\$0					
Recovery on Intercompany Receivables	\$3					
Recovery on Affiliate Guarantees	--					
Equity Interests in Affiliates	--					
TOTAL ASSETS	\$3					
<u>Administrative Expenses¹</u>						
Administrative Expenses & Other	--					
Post-Petition Intercompany Payables	--					
Operating Disbursements	--					
DISTRIBUTABLE ASSETS	\$3					
Contribution to Plan Adjustments	--					
NET DISTRIBUTABLE ASSETS	\$3	TOTALS		\$8	\$3	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

3 Represents Claims after the effects of setoff.

Recovery Analysis for CES IX

(\$ in millions)

	Estimated Plan Assets			Estimated Allowed Claims²	Estimated Plan Recovery	
					\$	%
Cash & Cash Equivalents	\$0	Class 1:	Priority Non-Tax Claims	--	--	--
Restricted Cash	--	Class 2:	Secured Claims	--	--	--
<u>Financial Instruments & Other Inventory</u>		Class 3:	General Unsecured Claims	\$0	\$0	77.1%
Real Estate	--					
Loans	--	Class 4A: ³	Affiliate Claims of LBHI	9	5	61.7%
Principal Investments	--					
Derivatives & Other Contracts	--	Class 4B: ³	Affiliate Claims of Affiliates other than those of LBHI	0	0	77.1%
Other Assets	--	Class 5:	Equity Interests	--	--	--
Operating Asset Recoveries	\$0					
Recovery on Intercompany Receivables	\$6					
Recovery on Affiliate Guarantees	--					
Equity Interests in Affiliates	--					
TOTAL ASSETS	\$6					
<u>Administrative Expenses¹</u>						
Administrative Expenses & Other	--					
Post-Petition Intercompany Payables	--					
Operating Disbursements	--					
DISTRIBUTABLE ASSETS	\$6					
Contribution to Plan Adjustments	--					
NET DISTRIBUTABLE ASSETS	\$6	TOTALS		\$9	\$6	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

3 Represents Claims after the effects of setoff.

Recovery Analysis for East Dover

(\$ in millions)

	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Plan Recovery	
					\$	%
Cash & Cash Equivalents	\$0	Class 1:	Priority Non-Tax Claims	--	--	--
Restricted Cash	--	Class 2:	Secured Claims	--	--	--
Financial Instruments & Other Inventory		Class 3: ⁴	General Unsecured Claims	\$0	\$0	100.0%
Real Estate	--					
Loans	--	Class 4A: ³⁴	Affiliate Claims of LBHI	3	3	78.9%
Principal Investments	--					
Derivatives & Other Contracts	--	Class 4B: ³	Affiliate Claims of Affiliates other than those of LBHI	--	--	--
Other Assets	--	Class 5:	Equity Interests	--	49	--
Operating Asset Recoveries	\$0					
Recovery on Intercompany Receivables	\$52					
Recovery on Affiliate Guarantees	--					
Equity Interests in Affiliates	0					
TOTAL ASSETS	\$52					
<u>Administrative Expenses¹</u>						
Administrative Expenses & Other	--					
Post-Petition Intercompany Payables	(0)					
Operating Disbursements	--					
DISTRIBUTABLE ASSETS	\$52					
Contribution to Plan Adjustments	--					
NET DISTRIBUTABLE ASSETS	\$52	TOTALS		\$3	\$52	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

3 Represents Claims after the effects of setoff.

4 These claims may be entitled to post-petition interest at a rate to be determined by the Bankruptcy Court.

Recovery Analysis for LS Finance

(\$ in millions)

	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Plan Recovery	
					\$	%
Cash & Cash Equivalents	--	Class 1:	Priority Non-Tax Claims	--	--	--
Restricted Cash	\$2	Class 2:	Secured Claims	\$2	\$2	100.0%
Financial Instruments & Other Inventory		Class 3:	General Unsecured Claims	--	--	--
Real Estate	--					
Loans	--	Class 4A: ³	Affiliate Claims of LBHI	--	--	--
Principal Investments	--					
Derivatives & Other Contracts	--	Class 4B: ³	Affiliate Claims of Affiliates other than those of LBHI	--	--	--
Other Assets	--	Class 5:	Equity Interests	--	\$2	--
Operating Asset Recoveries	\$2					
Recovery on Intercompany Receivables	\$2					
Recovery on Affiliate Guarantees	--					
Equity Interests in Affiliates	--					
TOTAL ASSETS	\$3					
<u>Administrative Expenses¹</u>						
Administrative Expenses & Other	--					
Post-Petition Intercompany Payables	(0)					
Operating Disbursements	--					
DISTRIBUTABLE ASSETS	\$3					
Contribution to Plan Adjustments	--					
NET DISTRIBUTABLE ASSETS	\$3	TOTALS		\$2	\$3	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

3 Represents Claims after the effects of setoff.

Recovery Analysis for LUXCO

(\$ in millions)

	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Plan Recovery	
					\$	%
Cash & Cash Equivalents	\$7	Class 1:	Priority Non-Tax Claims	--	--	--
Restricted Cash	--	Class 2:	Secured Claims	--	--	--
Financial Instruments & Other Inventory		Class 3:	General Unsecured Claims	--	--	--
Real Estate	405					
Loans	--	Class 4A: ³	Affiliate Claims of LBHI	--	--	--
Principal Investments	--					
Derivatives & Other Contracts	--	Class 4B: ³	Affiliate Claims of Affiliates other than those of LBHI	\$593	\$96	16.1%
Other Assets	--	Class 5:	Equity Interests	--	--	--
Operating Asset Recoveries	\$413					
Recovery on Intercompany Receivables	\$0					
Recovery on Affiliate Guarantees	--					
Equity Interests in Affiliates	--					
TOTAL ASSETS	\$413					
<u>Administrative Expenses¹</u>						
Administrative Expenses & Other	--					
Post-Petition Intercompany Payables	(\$286)					
Operating Disbursements	(31)					
DISTRIBUTABLE ASSETS	\$96					
Contribution to Plan Adjustments	--					
NET DISTRIBUTABLE ASSETS	\$96	TOTALS		\$593	\$96	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

3 Represents Claims after the effects of setoff.

Recovery Analysis for BNC

(\$ in millions)

	Estimated Plan Assets			Estimated Allowed Claims²	Estimated Plan Recovery	
					\$	%
Cash & Cash Equivalents	\$17	Class 1:	Priority Non-Tax Claims	--	--	--
Restricted Cash	--	Class 2:	Secured Claims	--	--	--
<u>Financial Instruments & Other Inventory</u>		Class 3: ⁴	General Unsecured Claims	\$13	\$13	100.0%
Real Estate	--					
Loans	--	Class 4A: ³	Affiliate Claims of LBHI	--	--	--
Principal Investments	--					
Derivatives & Other Contracts	--	Class 4B: ³⁴	Affiliate Claims of Affiliates other than those of LBHI	1	1	100.0%
Other Assets	--	Class 5:	Equity Interests	--	3	--
Operating Asset Recoveries	\$17					
Recovery on Intercompany Receivables	\$0					
Recovery on Affiliate Guarantees	0					
Equity Interests in Affiliates	--					
TOTAL ASSETS	\$17					
<u>Administrative Expenses¹</u>						
Administrative Expenses & Other	--					
Post-Petition Intercompany Payables	(\$0)					
Operating Disbursements	--					
DISTRIBUTABLE ASSETS	\$17					
Contribution to Plan Adjustments	--					
NET DISTRIBUTABLE ASSETS	\$17	TOTALS		\$14	\$17	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

3 Represents Claims after the effects of setoff.

4 These claims may be entitled to post-petition interest at a rate to be determined by the Bankruptcy Court.

Recovery Analysis for LB Rose Ranch

(\$ in millions)

	Estimated Plan Assets			Estimated Allowed Claims²	Estimated Plan Recovery	
					\$	%
Cash & Cash Equivalents	\$2	Class 1:	Priority Non-Tax Claims	--	--	--
Restricted Cash	--	Class 2:	Secured Claims	--	--	--
<u>Financial Instruments & Other Inventory</u>		Class 3:	General Unsecured Claims	\$6	\$4	61.0%
Real Estate	8					
Loans	--	Class 4A: ³	Affiliate Claims of LBHI	--	--	--
Principal Investments	--					
Derivatives & Other Contracts	--	Class 4B: ³	Affiliate Claims of Affiliates other than those of LBHI	--	--	--
Other Assets	--	Class 5:	Equity Interests	--	--	--
Operating Asset Recoveries	\$10					
Recovery on Intercompany Receivables	--					
Recovery on Affiliate Guarantees	--					
Equity Interests in Affiliates	--					
TOTAL ASSETS	\$10					
<u>Administrative Expenses¹</u>						
Administrative Expenses & Other	--					
Post-Petition Intercompany Payables	(\$6)					
Operating Disbursements	(0)					
DISTRIBUTABLE ASSETS	\$4					
Contribution to Plan Adjustments	--					
NET DISTRIBUTABLE ASSETS	\$4	TOTALS		\$6	\$4	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

3 Represents Claims after the effects of setoff.

Recovery Analysis for SASCO

(\$ in millions)

	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Plan Recovery	
					\$	%
Cash & Cash Equivalents	--	Class 1:	Priority Non-Tax Claims	--	--	--
Restricted Cash	--	Class 2:	Secured Claims	--	--	--
<u>Financial Instruments & Other Inventory</u>		Class 3:	General Unsecured Claims	\$162	\$82	50.5%
Real Estate	--					
Loans	--	Class 4A: ³	Affiliate Claims of LBHI	588	237	40.4%
Principal Investments	--					
Derivatives & Other Contracts	--	Class 4B: ³	Affiliate Claims of Affiliates other than those of LBHI	0	0	50.5%
Other Assets	--	Class 5:	Equity Interests	--	--	--
Operating Asset Recoveries	--					
Recovery on Intercompany Receivables	\$319					
Recovery on Affiliate Guarantees	--					
Equity Interests in Affiliates	--					
TOTAL ASSETS	<u>\$319</u>					
<u>Administrative Expenses¹</u>						
Administrative Expenses & Other	--					
Post-Petition Intercompany Payables	(0)					
Operating Disbursements	--					
DISTRIBUTABLE ASSETS	<u>\$319</u>					
Contribution to Plan Adjustments	--					
NET DISTRIBUTABLE ASSETS	<u>\$319</u>	TOTALS		<u>\$751</u>	<u>\$319</u>	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

3 Represents Claims after the effects of setoff.

Recovery Analysis for LB 2080

(\$ in millions)

	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Plan Recovery	
					\$	%
Cash & Cash Equivalents	--	Class 1:	Priority Non-Tax Claims	--	--	--
Restricted Cash	--	Class 2:	Secured Claims	--	--	--
<u>Financial Instruments & Other Inventory</u>		Class 3:	General Unsecured Claims	\$9	\$0	0.8%
Real Estate	--					
Loans	--	Class 4A: ³	Affiliate Claims of LBHI	--	--	--
Principal Investments	--					
Derivatives & Other Contracts	--	Class 4B: ³	Affiliate Claims of Affiliates other than those of LBHI	31	0	0.8%
Other Assets	--	Class 5:	Equity Interests	--	--	--
Operating Asset Recoveries	--					
Recovery on Intercompany Receivables	\$0					
Recovery on Affiliate Guarantees	--					
Equity Interests in Affiliates	--					
TOTAL ASSETS	<u>\$0</u>					
<u>Administrative Expenses¹</u>						
Administrative Expenses & Other	--					
Post-Petition Intercompany Payables	(\$0)					
Operating Disbursements	--					
DISTRIBUTABLE ASSETS	<u>\$0</u>					
Contribution to Plan Adjustments	--					
NET DISTRIBUTABLE ASSETS	<u>\$0</u>	TOTALS		<u>\$40</u>	<u>\$0</u>	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

3 Represents Claims after the effects of setoff.

Recovery Analysis for Merit

(\$ in millions)

	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Plan Recovery	
					\$	%
Cash & Cash Equivalents	\$0	Class 1:	Priority Non-Tax Claims	--	--	--
Restricted Cash	--	Class 2:	Secured Claims	--	--	--
Financial Instruments & Other Inventory		Class 3:	General Unsecured Claims	--	--	--
Real Estate	--					
Loans	--	Class 4A: ³	Affiliate Claims of LBHI	--	--	--
Principal Investments	--					
Derivatives & Other Contracts	\$25	Class 4B: ³	Affiliate Claims of Affiliates other than those of LBHI	\$324	\$32	10.0%
Other Assets	--	Class 5:	Equity Interests	--	--	--
Operating Asset Recoveries	\$25					
Recovery on Intercompany Receivables	\$6					
Recovery on Affiliate Guarantees	3					
Equity Interests in Affiliates	--					
TOTAL ASSETS	\$34					
<u>Administrative Expenses¹</u>						
Administrative Expenses & Other	--					
Post-Petition Intercompany Payables	(\$0)					
Operating Disbursements	(1)					
DISTRIBUTABLE ASSETS	\$32					
Contribution to Plan Adjustments	--					
NET DISTRIBUTABLE ASSETS	\$32	TOTALS		\$324	\$32	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

3 Represents Claims after the effects of setoff.

Recovery Analysis for Somerset

(\$ in millions)

	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Plan Recovery	
					\$	%
Cash & Cash Equivalents	--	Class 1:	Priority Non-Tax Claims	--	--	--
Restricted Cash	--	Class 2:	Secured Claims	--	--	--
Financial Instruments & Other Inventory		Class 3:	General Unsecured Claims	\$0	--	--
Real Estate	--					
Loans	--	Class 4A: ³	Affiliate Claims of LBHI	--	--	--
Principal Investments	--					
Derivatives & Other Contracts	--	Class 4B: ³	Affiliate Claims of Affiliates other than those of LBHI	7	--	--
Other Assets	--	Class 5:	Equity Interests	--	--	--
Operating Asset Recoveries	--					
Recovery on Intercompany Receivables	--					
Recovery on Affiliate Guarantees	--					
Equity Interests in Affiliates	--					
TOTAL ASSETS	--					
<u>Administrative Expenses¹</u>						
Administrative Expenses & Other	--					
Post-Petition Intercompany Payables	--					
Operating Disbursements	--					
DISTRIBUTABLE ASSETS	--					
Contribution to Plan Adjustments	--					
NET DISTRIBUTABLE ASSETS	--	TOTALS		\$8	--	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

3 Represents Claims after the effects of setoff.

Recovery Analysis for Preferred Somerset

(\$ in millions)

	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Plan Recovery	
					\$	%
Cash & Cash Equivalents	--	Class 1:	Priority Non-Tax Claims	--	--	--
Restricted Cash	--	Class 2:	Secured Claims	--	--	--
Financial Instruments & Other Inventory		Class 3:	General Unsecured Claims	\$0	--	--
Real Estate	--					
Loans	--	Class 4A: ³	Affiliate Claims of LBHI	--	--	--
Principal Investments	--					
Derivatives & Other Contracts	--	Class 4B: ³	Affiliate Claims of Affiliates other than those of LBHI	10	--	--
Other Assets	--	Class 5:	Equity Interests	--	--	--
Operating Asset Recoveries	--					
Recovery on Intercompany Receivables	--					
Recovery on Affiliate Guarantees	--					
Equity Interests in Affiliates	--					
TOTAL ASSETS	--					
<u>Administrative Expenses¹</u>						
Administrative Expenses & Other	--					
Post-Petition Intercompany Payables	--					
Operating Disbursements	--					
DISTRIBUTABLE ASSETS	--					
Contribution to Plan Adjustments	--					
NET DISTRIBUTABLE ASSETS	--	TOTALS		\$10	--	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

3 Represents Claims after the effects of setoff.

PARTICIPATING DEBTORS RECOVERY RECONCILIATION ANALYSIS - LBHI

(\$ in millions)

				Recovery Reallocation								
		Plan	Estimated	Recovery Before		Interco.	LCPI /		Plan Adjustment ⁶		Estimated	
		Adjustment	Allowed	Interco. Funding		Funding	LBSF	Sub.	Guarantees / Participating		Plan Recovery	
		Percentage ¹	Claims ²	Balance Adj. ⁴		Balance	Settlement	Debt	RACERs Debtors		Plan Recovery	
Class	Designation			\$	% ³	Adj. ⁴	Adj.	Reallocation ⁵			\$	% ³
1	Priority Non-Tax Claims		\$3	\$3	100.0%	--	--	--	--	--	\$3	100.0%
2	Secured Claims		2,481	2,481	100.0%	--	--	--	--	--	2,481	100.0%
3	Senior Unsecured Claims		83,724	12,494	14.9%	(\$412)	(\$62)	\$1,015	\$2,539	\$2,103	17,678	21.1%
4A	Senior Affiliate Claims		52,327	7,809	14.9%	(257)	(39)	634	--	--	8,147	15.6%
4B	Senior Affiliate Guarantee Claims		11,563	1,722	14.9%	(53)	(9)	98	--	--	1,758	15.2%
5	Senior Third-Party Guarantee Claims	20%	52,702	7,865	14.9%	(259)	(39)	446	(1,603)	--	6,410	12.2%
6A	Convenience Claims		54	14	26.0%	--	--	--	--	--	14	26.0%
6B	Convenience Guarantee Claims		332	56	17.0%	--	--	--	--	--	56	17.0%
7	General Unsecured Claims		11,390	1,700	14.9%	(56)	(8)	--	345	286	2,267	19.9%
8	Affiliate Claims		1,446	216	14.9%	(7)	(1)	--	--	--	208	14.4%
9A	Third-Party Guarantee Claims other than those of the Racers Trusts	20%	39,658	5,918	14.9%	(195)	(29)	--	(1,139)	--	4,555	11.5%
9B	Third-Party Guarantee Claims of the Racers Trusts ⁷	51%	1,948	291	14.9%	(10)	(1)	--	(144)	--	136	7.0%
10A	Subordinated Class 10A Claims		3,436	513	14.9%	(17)	(3)	(493)	--	--	--	--
10B	Subordinated Class 10B Claims		10,343	1,543	14.9%	(51)	(8)	(1,485)	--	--	--	--
10C	Subordinated Class 10C Claims		1,499	224	14.9%	(7)	(1)	(215)	--	--	--	--
11	Section 510(b) Claims		--	--	--	--	--	--	--	--	--	--
			\$272,904	\$42,847		(\$1,325)	(\$200)	--	--	\$2,390	\$43,712	

Note: Under the Plan, the ultimate recovery estimate for each Debtor is dependent on the recovery estimates at other Affiliate entities due to the intercompany and equity relationships among entities. In order to estimate the isolated impact of the Intercompany Funding Adjustments, Plan Adjustments and other settlement adjustments, the Debtors had to make certain simplifying assumptions. As such, the isolated impact of each adjustment shown above represents only the Debtor's estimate and are shown for illustrative purposes only.

1 Plan Adjustment Percentages per Plan.

2 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

3 Recovery percentages shown as a percent of Estimated Allowed Claims.

4 Compromise between LBHI and Subsidiary Debtors reflecting recoveries on only 80% of the LBHI Intercompany Funding Balance in Subsidiary Debtors' cases.

5 Pursuant to Subordinated Note underlying agreements, distributions are reallocated to specified classes senior to the Subordinated Notes.

6 Reallocation pursuant to Plan Adjustment Percentages.

7 In accordance with the Plan Settlement; see section 6.5(g) of the Plan.

PARTICIPATING DEBTORS RECOVERY RECONCILIATION ANALYSIS - LCPI

(\$ in millions)

Class		Designation	Claims		Implied Recoveries Before Adjustments							Recoveries		
			Estimated Allowed	Adjusted Claims For	Recovery Before Interco. Funding		Interco. Funding	Plan Adjustment		Recovery After		LCPI Settlement	Estimated	
					Bal. Adj. ²³	%				Plan Adj.	%		Plan Recovery	%
								Claims ¹	Distribution ²					
1	Priority Non-Tax Claims	--	--	--	--	--	--	--	--	--	--	--	--	
2	Secured Claims	\$144	\$144	\$144	100.0%	--	--	--	\$144	100.0%	--	\$144	100.0%	
3	Convenience Claims	1	1	0	60.0%	--	--	--	0	60.0%	--	0	60.0%	
4A	General Unsecured Claims other than those of Designated Entities	2,752	2,752	1,441	52.4%	\$226	(\$233)	(14.0%)	1,433	52.1%	\$100	1,533	55.7%	
4B	General Unsecured Claims of Designated Entities	5,230	5,230	2,738	52.4%	429	(633)	(20.0%)	2,534	48.4%	--	2,534	48.4%	
5A	Affiliate Claims of LBHI	17,857	13,733	9,350	52.4%	(1,034)	--	--	8,316	46.6%	(100)	8,216	46.0%	
5B	Affiliate Claims of Participating Subsidiary Debtors	5	5	3	52.4%	0	(1)	(20.0%)	3	48.4%	--	3	48.4%	
5C	Affiliate Claims other than those of Participating Debtors	4,871	4,871	2,550	52.4%	399	(413)	(14.0%)	2,537	52.1%	--	2,537	52.1%	
6	Equity Interests	--	--	--	--	--	--	--	--	--	--	--	--	
		\$30,861	\$26,736	\$16,228		\$20	(\$1,280)		\$14,967		--	\$14,967		

Note: Under the Plan, the ultimate recovery estimate for each Debtor is dependent on the recovery estimates at other Affiliate entities due to the intercompany and equity relationships among entities. In order to estimate the isolated impact of the Intercompany Funding Adjustments, Plan Adjustments and other settlement adjustments, the Debtors had to make certain simplifying assumptions. As such, the isolated impact of each adjustment shown above represents only the Debtor's estimate and are shown for illustrative purposes only.

1 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

2 Compromise between LBHI and Subsidiary Debtors reflecting a 20% reduction in the LBHI Intercompany Funding Balance for Distribution and setoff purposes only.

3 Debtors' estimate of recovery prior to impact of Plan Adjustments and Intercompany Funding Balance Adjustment . Estimate includes the indirect impact of Plan Adjustments related to other Participating Subsidiary Debtors.

4 Recovery percentages shown as a percent of Estimated Allowed Claims.

PARTICIPATING DEBTORS RECOVERY RECONCILIATION ANALYSIS - LBSF

(\$ in millions)

Class		Designation	Claims		Implied Recoveries Before Adjustments							Recoveries		
			Estimated Allowed Claims ¹	Adjusted Claims For Distribution ²	Recovery Before Interco. Funding Bal. Adj. ²³		Interco. Funding Adj.	Plan Adjustment		Recovery After Plan Adj.		LBSF Settlement Adj.	Estimated Plan Recovery	
					\$	% ⁴		\$	%	\$	% ⁴		\$	% ⁴
1	Priority Non-Tax Claims	--	--	--	--	--	--	--	--	--	--	--	--	
2	Secured Claims	\$765	\$765	\$765	100.0%	--	--	--	\$765	100.0%	--	\$765	100.0%	
3	Convenience Claims	7	7	2	32.0%	--	--	--	2	32.0%	--	2	32.0%	
4A	General Unsecured Claims other than those of the Racers Trust ⁶	22,685	22,685	6,174	27.2%	\$449	(\$397)	(6.0%)	6,226	27.4%	\$100	6,326	27.9%	
4B	General Unsecured Claims of the Racers Trust ⁵	1,948	1,948	530	27.2%	39	(292)	(51.3%)	277	14.2%	--	277	14.2%	
5A	Affiliate Claims of LBHI	18,320	15,341	4,986	27.2%	(507)	--	--	4,479	24.4%	(100)	4,379	23.9%	
5B	Affiliate Claims of Participating Subsidiary Debtors	522	522	142	27.2%	10	(30)	(20.0%)	122	23.4%	--	122	23.4%	
5C	Affiliate Claims other than those of Participating Debtors ⁶	4,195	4,195	1,142	27.2%	83	(73)	(6.0%)	1,151	27.4%	--	1,151	27.4%	
6	Equity Interests	--	--	--	--	--	--	--	--	--	--	--	--	
		<u>\$48,441</u>	<u>\$45,462</u>	<u>\$13,742</u>		<u>\$74</u>	<u>(\$793)</u>		<u>\$13,023</u>		<u>--</u>	<u>\$13,023</u>		

Note: Under the Plan, the ultimate recovery estimate for each Debtor is dependent on the recovery estimates at other Affiliate entities due to the intercompany and equity relationships among entities. In order to estimate the isolated impact of the Intercompany Funding Adjustments, Plan Adjustments and other settlement adjustments, the Debtors had to make certain simplifying assumptions. As such, the isolated impact of each adjustment shown above represents only the Debtor's estimate and are shown for illustrative purposes only.

1 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

2 Compromise between LBHI and Subsidiary Debtors reflecting a 20% reduction in the LBHI Intercompany Funding Balance for Distribution and setoff purposes only.

3 Debtors' estimate of recovery prior to impact of Plan Adjustments and Intercompany Funding Balance Adjustment. Estimate includes the indirect impact of Plan Adjustments related to other Participating Subsidiary Debtors.

4 Recovery percentages shown as a percent of Estimated Allowed Claims.

5 In accordance with the Plan Settlement; see section 6.5(g) of the Plan.

6 Recovery percentage before potential Distribution in accordance with Section 6.5(d) of the Plan.

PARTICIPATING DEBTORS RECOVERY RECONCILIATION ANALYSIS - LBCS

(\$ in millions)

		Claims		Implied Recoveries Before Adjustments					Recoveries	
		Estimated	Adjusted	Recovery Before		Interco.			Estimated	
		Allowed	Claims For	Interco. Funding		Funding	Plan Adjustment		Plan Recovery	
				Bal. Adj. ²³						
Class	Designation	¹ Claims	² Distribution	\$	% ⁴	Adj.	\$	%	\$	% ⁴
1	Priority Non-Tax Claims	--	--	--	--	--	--	--	--	--
2	Secured Claims	\$38	\$38	\$38	100.0%	--	--	--	\$38	100.0%
3	Convenience Claims	0	0	0	55.0%	--	--	--	0	55.0%
4	General Unsecured Claims	2,371	2,371	1,217	51.3%	\$185	(\$196)	(14.0%)	1,205	50.8%
5A	Affiliate Claims of LBHI	1,515	1,013	778	51.3%	(179)	--	--	599	39.5%
5B	Affiliate Claims of Participating Subsidiary Debtors	--	--	--	--	--	--	--	--	--
5C	Affiliate Claims other than those of Participating Debtors	20	20	10	51.3%	2	(2)	(14.0%)	10	50.8%
6	Equity Interests	--	--	--	--	--	--	--	--	--
		\$3,944	\$3,442	\$2,043		\$8	(\$198)		\$1,852	

Note: Under the Plan, the ultimate recovery estimate for each Debtor is dependent on the recovery estimates at other Affiliate entities due to the intercompany and equity relationships among entities. In order to estimate the isolated impact of the Intercompany Funding Adjustments, Plan Adjustments and other settlement adjustments, the Debtors had to make certain simplifying assumptions. As such, the isolated impact of each adjustment shown above represents only the Debtor's estimate and are shown for illustrative purposes only.

1 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

2 Compromise between LBHI and Subsidiary Debtors reflecting a 20% reduction in the LBHI Intercompany Funding Balance for Distribution and setoff purposes only.

3 Debtors' estimate of recovery prior to impact of Plan Adjustments and Intercompany Funding Balance Adjustment . Estimate includes the indirect impact of Plan Adjustments related to other Participating Subsidiary Debtors.

4 Recovery percentages shown as a percent of Estimated Allowed Claims.

PARTICIPATING DEBTORS RECOVERY RECONCILIATION ANALYSIS - LOTC

(\$ in millions)

		Claims		Implied Recoveries Before Adjustments					Recoveries	
		Estimated Allowed Claims ¹	Adjusted Claims For Distribution ²	Recovery Before Interco. Funding Bal. Adj. ²³		Interco. Funding Adj.	Plan Adjustment		Estimated Plan Recovery	
Class	Designation			\$	% ⁴		\$	%	\$	% ⁴
1	Priority Non-Tax Claims	--	--	--	--	--	--	--	--	--
2	Secured Claims	--	--	--	--	--	--	--	--	--
3	Convenience Claims	\$0	\$0	\$0	34.0%	--	--	--	\$0	34.0%
4	General Unsecured Claims	590	590	184	31.2%	\$6	(\$15)	(8.0%)	175	29.6%
5A	Affiliate Claims of LBHI	194	155	61	31.2%	(10)	--	--	50	25.8%
5B	Affiliate Claims of Participating Subsidiary Debtors	8	8	2	31.2%	0	(1)	(20.0%)	2	25.8%
5C	Affiliate Claims other than those of Participating Debtors	414	414	129	31.2%	4	(11)	(8.0%)	123	29.6%
6	Equity Interests	--	--	--	--	--	--	--	--	--
		\$1,207	\$1,168	\$376		\$0	(\$26)		\$350	

Note: Under the Plan, the ultimate recovery estimate for each Debtor is dependent on the recovery estimates at other Affiliate entities due to the intercompany and equity relationships among entities. In order to estimate the isolated impact of the Intercompany Funding Adjustments, Plan Adjustments and other settlement adjustments, the Debtors had to make certain simplifying assumptions. As such, the isolated impact of each adjustment shown above represents only the Debtor's estimate and are shown for illustrative purposes only.

1 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

2 Compromise between LBHI and Subsidiary Debtors reflecting a 20% reduction in the LBHI Intercompany Funding Balance for Distribution and setoff purposes only.

3 Debtors' estimate of recovery prior to impact of Plan Adjustments and Intercompany Funding Balance Adjustment . Estimate includes the indirect impact of Plan Adjustments related to other Participating Subsidiary Debtors.

4 Recovery percentages shown as a percent of Estimated Allowed Claims.

PARTICIPATING DEBTORS RECOVERY RECONCILIATION ANALYSIS - LBCC

(\$ in millions)

		Claims		Implied Recoveries Before Adjustments					Recoveries	
		Estimated Allowed Claims ¹	Adjusted Claims For Distribution ²	Recovery Before Interco. Funding Bal. Adj. ²³		Interco. Funding Adj.	Plan Adjustment		Estimated Plan Recovery	
Class	Designation			\$	% ⁴		\$	%	\$	% ⁴
1	Priority Non-Tax Claims	--	--	--	--	--	--	--	--	--
2	Secured Claims	\$5	\$5	\$5	100.0%	--	--	--	\$5	100.0%
3	Convenience Claims	0	0	0	40.0%	--	--	--	0	40.0%
4	General Unsecured Claims	609	609	224	36.7%	\$18	(\$24)	(10.0%)	218	35.8%
5A	Affiliate Claims of LBHI	133	--	49	36.7%	(49)	--	--	--	--
5B	Affiliate Claims of Participating Subsidiary Debtors	572	572	210	36.7%	17	(45)	(20.0%)	182	31.8%
5C	Affiliate Claims other than those of Participating Debtors	550	550	202	36.7%	17	(22)	(10.0%)	197	35.8%
6	Equity Interests	--	--	--	--	--	--	--	--	--
		<u>\$1,869</u>	<u>\$1,736</u>	<u>\$690</u>		<u>\$3</u>	<u>(\$92)</u>		<u>\$602</u>	

Note: Under the Plan, the ultimate recovery estimate for each Debtor is dependent on the recovery estimates at other Affiliate entities due to the intercompany and equity relationships among entities. In order to estimate the isolated impact of the Intercompany Funding Adjustments, Plan Adjustments and other settlement adjustments, the Debtors had to make certain simplifying assumptions. As such, the isolated impact of each adjustment shown above represents only the Debtor's estimate and are shown for illustrative purposes only.

1 Debtor's best estimate of the amount of claims ultimately allowed consistent with Plan settlements.

2 Compromise between LBHI and Subsidiary Debtors reflecting a 20% reduction in the LBHI Intercompany Funding Balance for Distribution and setoff purposes only.

3 Debtors' estimate of recovery prior to impact of Plan Adjustments and Intercompany Funding Balance Adjustment . Estimate includes the indirect impact of Plan Adjustments related to other Participating Subsidiary Debtors.

4 Recovery percentages shown as a percent of Estimated Allowed Claims.

Exhibit 5

Liquidation Analysis for Each Debtor

Pursuant to section 1129(a)(7) of the Bankruptcy Code (the “Best Interest Test”), each holder of an impaired Claim or Equity Interest must either (i) accept the Plan, or (ii) receive or retain under the Plan property of a value, as of the Effective Date, that is not less than the value such non-accepting holder would receive or retain if the Debtors were to be liquidated under chapter 7 of the Bankruptcy Code on the Effective Date. In determining whether the Best Interest Test has been met, the first step is to determine the dollar amount that would be generated from a hypothetical liquidation of the Debtors’ assets in chapter 7. The gross amount of Cash available would be the sum of the proceeds from the disposition of the Debtors’ assets and the Cash held by the Debtors at the commencement of their chapter 7 cases. Such amount then would be reduced by the costs and expenses of the liquidation. Prior to determining whether the Best Interest Test has been met for general unsecured creditors, further reductions would be required to eliminate Cash and asset liquidation proceeds that would be applied to Secured Claims and amounts necessary to satisfy chapter 7 and chapter 11 Administrative Expense Claims, Priority Tax Claims, and Priority Non-Tax Claims that are senior to General Unsecured Claims, including any incremental Administrative Expense Claims that may result from the termination of the Debtors’ businesses and the liquidation of assets. Any remaining Cash would be available for Distribution to general unsecured creditors and Equity Interest holders in accordance with the distribution hierarchy established by section 726 of the Bankruptcy Code.

The Liquidation Analyses (the “Liquidation Analyses”) below reflect the estimated Cash proceeds, net of liquidation-related costs that would be available to each of the Debtors’ creditors if each Debtor were to be liquidated in a separate chapter 7 case. The Debtors did not apply any present value discounts to estimated cash proceeds. Underlying the Liquidation Analyses are a number of estimates and assumptions regarding liquidation proceeds that, although developed and considered reasonable by the Debtors, are inherently subject to significant business, economic, and competitive uncertainties and contingencies beyond the control of the Debtors. ACCORDINGLY, THERE CAN BE NO ASSURANCE THAT THE VALUES REFLECTED IN THE LIQUIDATION ANALYSES WOULD BE REALIZED IF THE DEBTORS WERE, IN FACT, TO UNDERGO SUCH A LIQUIDATION, AND ACTUAL RESULTS COULD VARY MATERIALLY FROM THOSE SHOWN HERE.

For certain asset classes, estimates of the liquidation proceeds were made for each asset individually. For other assets, liquidation values were assessed for general classes of assets by estimating the percentage recoveries that a chapter 7 trustee might achieve through their disposition. A Liquidation Analysis was performed for the assets in each asset class held by the Debtors, and then allocated to each Debtor based on such Debtor’s pro rata share of assets in the asset classes, and assumes that the Debtors’ liquidation proceeds would be distributed in accordance with sections 726 and 1129(b) of the Bankruptcy Code. Each of the following Liquidation Analyses should be read in conjunction with the following notes.

1. Assumptions

For purposes of each Liquidation Analysis, the Debtors considered many factors and made certain assumptions. Those assumptions that the Debtors consider significant are described below.

2. General

a. Conversion: Each of the Chapter 11 Cases are converted to chapter 7 in 2012.

b. Appointment of Chapter 7 Trustee: One chapter 7 trustee is appointed to liquidate and wind down the Debtors' estates. It should be noted that the selection of a separate chapter 7 trustee for one or more of the Debtors' estates could result in substantially higher administrative expenses associated with the chapter 7 cases from a large duplication of effort by each trustee and his/her professionals.

c. Chapter 7 Trustee: The chapter 7 trustee would retain professionals (investment bankers, law firms, accounting firms, consultants, forensic experts, etc.) to assist in the liquidation and wind down of the Debtors' estates. Although the chapter 7 trustee may retain certain of the Debtors' professionals for discrete projects, it is assumed that the trustee's primary investment banking, legal, accounting, consulting and forensic support would be provided by new professionals, because most (if not all) of these professionals will hold Claims in the chapter 7 cases. Nevertheless, given that the Debtors have been managing the orderly wind down of their estates with over 500 employees and financial advisor professionals, and have stayed current on tax filings, regulatory and judicial inquiries, and financials records for hundreds of entities and bank accounts, it is reasonable to expect that the chapter 7 trustee will require the assistance of some portion of the Debtors' professionals and/or their employees to assist in maintaining regulatory compliance and in the short-term liquidations due to their institutional knowledge.

d. Start-Up Time: Given the complexity of the Chapter 11 Cases and the underlying assets and Claims, it is anticipated that the chapter 7 trustee and any newly retained professionals will require at least three to six months to familiarize themselves with the Debtors' estates, the assets, the Claims and related matters before they begin marketing assets or litigating Claims.

e. Duration of Liquidation The Liquidation Analyses assume that after the start-up period the actual liquidation of assets of the Debtors would continue for 9 to 12 months, during which time all of the Debtors' major assets would either be sold or conveyed to the applicable lien holders and the Cash proceeds, net of liquidation-related costs, would be available for Distribution to creditors.

Approximately 67,000 Claims were filed against the Debtors prior to the Bar Date, in amounts totaling approximately \$1.2 trillion (including duplicate Claims and estimated amounts for certain unliquidated claims). As of May 13, 2011, approximately 48,000 Filed Claims remain on the Claims register against all of the Debtors in an

aggregate amount of approximately \$764 billion.⁵ It is unlikely that the chapter 7 trustee could adequately reconcile all Claims during 12 to 18 month period of assessment and asset recovery. Therefore, a large number of the Claims in these cases will be reconciled, valued, negotiated and settled, and/or litigated to conclusion only after the asset recovery work is mostly complete. The Debtors estimate that a chapter 7 trustee will require at least an additional 12 to 18 months to reconcile Claims and initiate litigation including, but not limited to, claim objections and avoidance actions (to the extent the applicable statute of limitations has been extended pursuant to tolling agreements). It is possible that some Distributions could be made prior to such period, but Claims would be subject to reserves.

It is not uncommon in large cases for liquidations to last many years while chapter 7 trustees prosecute difficult Claims-related and other litigation.

f. Consolidation for Administrative Purposes. This analysis assumes that the Debtors are consolidated for administrative purposes during the chapter 7 cases. Should one or more Debtors be liquidated in a separately administered chapter 7 case, the total administrative costs of the Debtors' chapter 7 cases could be substantially higher than the costs assumed in this analysis.

3. Assets

a. Cash: Beginning Cash is based on restricted and unrestricted Cash balances.

b. Assets: This analysis assumes that the assets of each Debtor are sold, transferred, abandoned or otherwise liquidated on or before 18 months from the date that the Chapter 11 Cases are converted. With respect to the different asset classes of the Debtors, the following assumptions were made when calculating the liquidation amount:

(i) Derivative Contracts

The settlement or disposition of Derivative Contracts requires experienced derivatives and financial services experts. In a chapter 7 liquidation, it is assumed that the chapter 7 trustee will reduce the number of the Debtors' current employees, and that other employees will leave for other market opportunities. It is estimated that headcount is reduced significantly, which will result in the loss of legacy knowledge relating to the derivatives portfolio and will disrupt ongoing settlement discussions with counterparties. This will make a chapter 7 liquidation significantly more difficult and will result in lower recoveries as compared to current projections.

⁵ In addition, after May 13, 2011, approximately \$3 billion of claims have been expunged or withdrawn, reducing the aggregate amount of outstanding Claims to approximately \$761 billion. The Debtors continue aggressively to mitigate Claims by filing objections to Claims on a monthly basis that result in either an order of the Bankruptcy Court that certain Claims be expunged or reduced in amount, Claim withdrawals, or settlements.

(ii) Real Estate Assets

A forced liquidation of Real Estate Assets over a 12-month period (after the 3-6 month transition period) would have an adverse impact on the value of the Debtors' recoveries from their Real Estate Assets. Additional discounts on current valuations would be required due to the following assumptions:

- Lack of liquidity in the market – Potential purchasers may not be able to obtain the requisite financing to purchase the Debtors' Real Estate Assets.
- Supply and demand imbalances – Given the size of the Debtors' portfolio of Real Estate Assets, if offered for sale in its entirety, the market equilibrium in certain markets or geographies may be disturbed. Assets available for sale may outweigh existing demand, inviting further discounts in order to attract non-traditional buyers.
- Bulk sales – Liquidation of the Debtors' entire portfolio of Real Estate Assets within a 12-month period would require bundling multiple positions together for purchasers (most likely by geography, property type or lien type); valuations would likely reflect discounts for what would amount to bulk purchases.
- Inability to offer seller representations or warranties – Liquidation would preclude the Trustee/Debtors' willingness or ability to offer representations and warranties on positions for sale. Additional discounts would be necessary to compensate buyers for the risk of not securing certain guarantees or indemnities.

Taking these assumptions into account, liquidation discounts have been applied based on lien type and property type. Discounts relative to lien type are a reflection of the priority of Claims on underlying collateral (so senior positions generally have lower discounts than equity discounts). Discounts relative to property type (office, condo/multifamily, hospitality, land, etc.) are a reflection of unique features in the markets for those assets.

In addition, there are certain Real Estate Assets within the commercial real estate portfolio that possess unique characteristics and as a result, individual liquidation discounts have been applied. This situation generally applies to larger projects that may involve multiple positions across lien and property types (*e.g.*, a condo development with some undeveloped land), and/or debt positions whereby a liquid market for a security establishes a market price.

- Other considerations

A quick liquidation of the Debtors' portfolio of Real Estate Assets would likely entail significant involvement on the part of third party investment bankers, real

estate brokers, and legal resources (including representation by local counsel). For the purposes of this analysis, the Debtors included fees for brokers and bankers and additional amounts to cover legal and other contingencies.

It is possible that some of the Debtors' Real Estate Assets cannot be sold in the liquidation time frame. Outstanding litigation and structural impediments (transfer consents, regulatory or environmental restrictions, rights of first refusal, *etc.*) may require that certain positions be held beyond the self-imposed deadline.

(iii) Private Equity/Principal Investments:

The assumptions used are based on estimates and are by definition subject to variability in ultimate outcome.

(a) Liquidation Impediments

Contractual and Structural Impediments

- Tag-Along Rights: Investors in certain Private Equity/Principal Investments have a right to dispose of a portion of their interest in any transaction in which the Debtors' transfer an interest. Such right may limit the amount of any Private Equity/Principal Investment that the Debtors are able to sell in any one transaction.
- Regulatory Restrictions: Certain Private Equity/Principal Investments impose regulatory restrictions on the type of buyer or quantity of ownership of such investment. Potential purchasers might demand a discount for any such Private Equity/Principal Investment due to the uncertainty of obtaining such approvals and the time necessary to obtain regulatory approvals.
- Structural Impediments: With respect to certain Private Equity/Principal Investments which are held in more complicated structures (e.g., co-investment vehicles, limited partnerships), purchasers are likely to apply discounts in a forced sale process (see also "Market Psychology" below).

Procedural Impediments

- Market Psychology: In a chapter 7 liquidation, potential purchasers will be aware of the Debtors' desire to liquidate its Private Equity/Principal Investments in a limited time frame, and resultant pressure to accept highest price available, regardless of the inherent value of the asset.

- Higher Expenses: The complexity of selling a large number of Private Equity/Principal Investments in a limited timeframe is likely to increase costs (e.g. financial and legal advisors) as compared to a medium-term orderly liquidation of such assets.

(b) Liquidation Process/Assumptions

For a variety of reasons, it is possible that some Private Equity/Principal Investments cannot be sold in the liquidation time frame. Outstanding litigation and structural impediments (transfer consents, regulatory restrictions, rights of first refusal, etc.) may require that certain positions be held beyond the 9 to 12-month period assumed in this liquidation analysis. In addition, certain positions are subject to confidentiality restrictions and transfer restrictions for which the Debtors would need consent from sponsors, general partners and/or portfolio companies in order to (i) share information regarding such positions with prospective buyers and/or (ii) transfer such position to a buyer. There is no assurance that consent would be obtained in a liquidation scenario.

Many of these assets are in non-Debtor entities so the normal bankruptcy sale protections are not available to the buyer.

(c) Direct Portfolio

Given the concentration inherent in the portfolio of direct Private Equity/Principal Investments, with the largest 40 positions accounting for approximately 98% of the carrying value, it is assumed that each of the largest 40 positions are sold individually as opposed to as part of a block transaction. The remaining approximately 36 smaller direct Private Equity/Principal Investments in the portfolio can be divided into better known positions (sponsor co-invests) and non-sponsor positions. It is assumed that sponsor co-invests can be sold individually, while the non-sponsor positions can be sold as a block.

To sell the direct portfolio positions over a 9 to 12-month period would require the retention of multiple investment banks. The investment banks would likely run a controlled competitive auction process (bound, to a certain extent, by the transfer and other restrictions inherent in the governing documents).

Finally, in addition to other impediments described above, in certain instances either the company or other investors have the right to buy back the position (e.g., via right of first refusal). In general, company management and/or sponsor support will be critical to the sale of these direct positions.

(d) GP/LP Investments

The Private Equity/Principal Investment structured as limited partnership interests would be sold through an auction process conducted by a third party. Given that it is unlikely that one buyer would acquire the entire portfolio, multiple sales would be

necessary. Furthermore, because each position in this portfolio requires general partner consent, the 9 – 12 month liquidation time frame would be challenging and would likely result in substantial discounts.

The hedge fund limited partnership interests would also be sold through an auction process conducted by a third party. The buyer universe for such interests is much more limited. Also, given the significant concentration in this portfolio, as well as the length of many lock-ups, discounts would be very significant. Finally, general partner consent is required in every case.

The general partnership interests would be sold individually. Although two are public equity positions, the size of the positions and lack of trading volume make the positions highly illiquid. Third parties would be used in each case.

The aggregate cost of third parties to liquidate the GP/LP investments would be substantial.

(iv) Loans

Below outlines the liquidation impediments and the process that would be employed to effectuate the liquidation.

To the extent that loans are fully funded, liquidation of these assets will depend on current market conditions. Liquidity of an asset is a function of a combination of factors that may include (but is not limited to) price, position size, time horizon, how actively the loan is traded in the marketplace, and general financial market conditions. Given the volume of Loans available for sale, however, and market participants' knowledge of the Debtors' mandate to liquidate their portfolio of Loans in a limited time frame, it is possible that a significant discount to market will be necessary to liquidate the portfolio. A description of the disposition of the different types of Loans held by the Debtors is set forth below:

(a) Loan Positions

- Special Purpose Vehicles: Loans to special purpose vehicles are illiquid and are not traded in any commercial market. As a result, a steep discount for purchase is likely required.
- Commercial Loans: Commercial Loans are generally liquid and trade in commercial markets. However, many of the Debtors' Loans include future commitments to make additional funding, so the disposition of these Loans would require an additional discount to offset the buyer's obligations and additional risk. Larger positions would require a substantial discount as a result of the expedited sale.

- Distressed Debt or Claims Against Other Chapter 11 Debtors: Claims against entities in a chapter 11 proceeding are generally illiquid. The Debtors would realize significant discounts to current market value.
- Loans Participated to CLOs: Loans participated to collateralized loan obligations are generally liquid and trade in the commercial markets. To the extent that the revolvers are unfunded, these positions would be priced at an a discount.

c. **Avoidance Actions:** Due to uncertainty and litigation risk, there are no significant amounts reflected in the liquidation analysis for avoidance actions.

d. **Other Litigation:** Consistent with the calculation of the estimated recoveries under the Plan, no values are included for recoveries from other litigation.

4. Costs

a. **Employees:** The chapter 7 trustee will require a significant number of employees to liquidate the assets. To the extent that the chapter 7 trustee terminates the post-petition employment contracts of any of the Debtors' current employees, the Debtors' estates would be subject to additional Administrative Expense Claims.

b. **Trustee Fees:** The chapter 7 trustee would be compensated in accordance with the guidelines of section 326 of the Bankruptcy Code. The liquidation analysis assumes that the chapter 7 trustee's fees would not be greater than 1% of total Distributions by the Debtors. However, the arrangements with a Trustee may result in a different percentage.

c. **Professional Fees:** Given that the chapter 7 trustee and, to the extent applicable, the trustee's professionals must familiarize themselves with the Debtors, their estates, their assets and the Claims asserted against them, it is anticipated that the Debtors' estates would incur significant professionals' fees in the context of a chapter 7 liquidation.

d. **Compromise and Settlement of Plan Issues:** The Liquidation Analysis takes into account the compromises and settlements included in the Plan. The Debtors assume that a chapter 7 trustee would determine that the compromises and settlements included in the Plan are reasonable and the most efficient means to avoid extensive and protracted litigation of the Plan Issues.

5. Estimated Recoveries

a. **Classes of Claims:** The estimated recoveries use the Classes established by the Plan to facilitate creditors' ability to compare the recoveries under the Plan versus recoveries in a chapter 7 liquidation.

b. Timing of Distributions: While cash may be realized sooner, it is currently contemplated that the first Distributions under the Plan would commence in early 2012. In contrast, the Debtors anticipate that the first Distribution to Creditors in a chapter 7 would not be made until early 2013. This assumption is based, in part, upon the belief that the chapter 7 trustee would be reluctant to make significant interim Distributions prior to the determination of at least 50% of the disputed Claims, which would take longer with fewer employees with institutional knowledge.

c. Additional Claims: The liquidation of the Debtors will result in additional Claims being satisfied under chapter 7, including, but not limited to, Claims arising from the rejection of any remaining executory contracts, unexpired leases, and post-petition contracts. However, due to the uncertainty as to which contracts or leases would ultimately be rejected and the determination of the amount of any rejection damages (if any), no Claims related to the rejection of executory contracts are included in the estimated recoveries. Any such Claims, if filed, would further dilute any recoveries in a chapter 7 liquidation.

In connection with the settlements, LBHI entered into capital maintenance agreements and agreed to sell the Banks within 18 months or, if the Banks could not be sold, to purchase the remaining assets of the Banks at a value that would be sufficient to satisfy the Banks' liabilities. If the case were converted to a chapter 7 liquidation and the Banks were liquidated in a substantially shorter period than the 18-month period provided for in the capital maintenance agreements, LBHI is likely to recover a depressed value for the assets of the Banks. In that event, pursuant to its obligations under the capital maintenance agreement, LBHI would have to make up for the shortfall (approximated at \$1 billion) to satisfy the Banks' liabilities as an administrative expense of its estate.

d. Amount of Allowed Claims: The determination of the Allowed Claims is an uncertain process given the number of disputed, contingent and/or unliquidated Claims in the Chapter 11 Cases. Furthermore, the accelerated wind down timeline and the substantial loss of experienced workforce, that could result from conversion to a chapter 7, would result in a significant impairment to the Claims process. No order or findings have been entered by the Bankruptcy Court estimating or otherwise fixing the amount of Allowed Claims used in the liquidation analysis. To the extent that Claims have been reduced due to elimination of duplicate and superseded Claims, this is the basis for the Claims used in the liquidation analysis. The actual amount of Allowed Claims could vary materially.

6. Notes to Liquidation Analysis

a. Secured Claims

To the extent that the value of the collateral securing a Secured Claim is less than the Secured Claim, the remaining amount would be a deficiency Claim and a General Unsecured Claim against the applicable Debtor.

b. Estimated Aggregate Unpaid Administrative Expense Claims, Priority Tax Claims, and Priority Non-Tax Claims

The amount of Cash that would be available for Distributions to general unsecured creditors in a chapter 7 case would be reduced by any Allowed Administrative Expense Claims, Priority Tax Claims, and Priority Non-Tax Claims that are senior to General Unsecured Claims in the Chapter 11 Cases. Any remaining Cash after satisfaction of these Claims would be available for Distribution to general unsecured creditors and Equity Interest holders in accordance with the Distribution hierarchy established by section 726 of the Bankruptcy Code.

Freddie Mac filed a claim (Claim No. 33568) against LBHI for approximately \$1.2 billion based on loans from Freddie Mac to LBHI (the "Freddie Mac Claim"). Freddie Mac has asserted that such claim is entitled to be treated as a priority claim under 12 U.S.C. 4617(b)(15)(D). The Debtors do not believe that the Freddie Mac Claim is entitled to be treated as a priority claim and therefore have included such Claim a Senior Unsecured Claim in LBHI Class 3 for the purposes of the Liquidation Analysis.

c. Liquidation Analysis

The Liquidation Analysis for each Debtor is attached below.

Liquidation Analysis for LBHI

(\$ in millions)

	Estimated Liquidation Assets	Estimated Plan Assets			Liquidation Estimated Allowed Claims ³	Estimated Recovery			
						Liquidation		Plan	
						\$	%	\$	% ⁴
Cash & Cash Equivalents	\$2,723	\$2,723	Class 1: ³	Priority Non-Tax Claims	\$3	\$3	100.0%	\$3	100.0%
Restricted Cash	3,515	3,515	Class 2:	Secured Claims	2,481	2,481	100.0%	2,481	100.0%
<u>Financial Instruments & Other Inventory</u>			Class 3:	Senior Unsecured Claims	83,724	12,979	15.5%	17,678	21.1%
Real Estate	2,838	4,353	Class 4A: ⁵	Senior Affiliate Claims	52,327	5,911	11.3%	8,147	15.6%
Loans	586	596	Class 4B: ⁵	Senior Affiliate Guarantee Claims	11,563	1,276	11.0%	1,758	15.2%
Principal Investments	1,079	1,613	Class 5A:	Senior Third-Party Guarantee Claims	52,702	4,651	8.8%	6,410	12.2%
Derivatives & Other Contracts	--	--	Class 6A:	Convenience Claims	54	14	26.0%	14	26.0%
Other Assets	1,937	2,486	Class 6B:	Convenience Guarantee Claims	332	56	17.0%	56	17.0%
Operating Asset Recoveries	\$12,679	\$15,285	Class 7:	General Unsecured Claims	11,390	1,665	14.6%	2,267	19.9%
Recovery on Intercompany Receivables	20,494	25,913	Class 8: ⁵	Affiliate Claims	1,446	151	10.4%	208	14.4%
Recovery on Other Receivables	2,110	2,946	Class 9A:	Third-Party Guarantee Claims other than those of the Racers Trusts	39,658	3,305	8.3%	4,555	11.5%
Equity Interests in Affiliates	1,960	2,727	Class 9B:	Third-Party Guarantee Claims of the Racers Trusts	1,948	99	5.1%	136	7.0%
TOTAL ASSETS	\$37,243	\$46,872	Class 10A:	Subordinated Class 10A Claims	3,436	--	--	--	--
<u>Administrative Expenses¹</u>			Class 10B:	Subordinated Class 10B Claims	10,343	--	--	--	--
Administrative Expenses & Other ²	(\$3,592)	(\$2,592)	Class 10C:	Subordinated Class 10C Claims	1,499	--	--	--	--
Post-Petition Intercompany Payables	(2,316)	(2,316)	Class 11:	Section 510(b) Claims	--	--	--	--	--
Operating Disbursements	(651)	(641)	Class 12:	Equity Interests	--	--	--	--	--
DISTRIBUTABLE ASSETS	\$30,684	\$41,322							
Recovery From Plan Adjustments	1,907	2,390							
NET DISTRIBUTABLE ASSETS	\$32,590	\$43,712	TOTALS		\$272,904	\$32,590		\$43,712	

- Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".
- 1 Comprised of administrative expenses, professional compensation and priority tax claims. Liquidation scenario includes \$1 billion of incremental liquidation administrative expenses.
- 2 Includes \$300 million for Debtor Allocation Agreement in accordance with Section 6.3 of the Plan.
- 3 Debtor's best estimate of the amount of claims ultimately allowed in a Liquidation scenario.
- 4 Represents Plan recovery amount as a percentage of Liquidation Estimated Allowed Claims.
- 5 Represents Claims after the effects of setoff.

Liquidation Analysis for LCPI

(\$ in millions)

	Estimated Liquidation Assets	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Recovery			
						Liquidation		Plan	
						\$	%	\$	% ³
Cash & Cash Equivalents	\$2,951	\$2,951	Class 1:	Priority Non-Tax Claims	--	--	--	--	--
Restricted Cash	41	41	Class 2:	Secured Claims	\$144	\$144	100.0%	\$144	100.0%
Financial Instruments & Other Inventory			Class 3:	Convenience Claims	1	0	60.0%	0	60.0%
Real Estate	2,744	5,334							
Loans	2,823	4,093	Class 4A: ⁵	General Unsecured Claims other than those of Designated Entities	2,752	1,096	39.8%	1,533	55.7%
Principal Investments	426	663	Class 4B:	General Unsecured Claims of Designated Entities	5,230	1,761	33.7%	2,534	48.4%
Derivatives & Other Contracts	27	49							
Other Assets	124	124	Class 5A: ⁴⁵	Affiliate Claims of LBHI	17,857	5,681	31.8%	8,216	46.0%
Operating Asset Recoveries	\$9,136	\$13,255	Class 5B: ⁴	Affiliate Claims of Participating Subsidiary Debtors	5	2	33.7%	3	48.4%
Recovery on Intercompany Receivables	\$3,353	\$4,096	Class 5C: ⁴	Affiliate Claims other than those of Participating Debtors	4,871	1,763	36.2%	2,537	52.1%
Recovery on Affiliate Guarantees	--	--							
Equity Interests in Affiliates	110	273	Class 6: ⁴	Equity Interests	--	--	--	--	--
TOTAL ASSETS	\$12,599	\$17,624							
Administrative Expenses ¹									
Administrative Expenses & Other	(\$585)	(\$585)							
Post-Petition Intercompany Payables	(124)	(124)							
Operating Disbursements	(552)	(668)							
DISTRIBUTABLE ASSETS	\$11,338	\$16,248							
Contribution to Plan Adjustments	(\$890)	(\$1,280)							
NET DISTRIBUTABLE ASSETS	\$10,448	\$14,967	TOTALS		\$30,861	\$10,448		\$14,967	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed in a Liquidation scenario.

3 Represents Plan recovery amount as a percentage of Liquidation Estimated Allowed Claims.

4 Represents Claims after the effects of setoff.

5 The first \$100 million of Distributions made to Class 5A on account of its Allowed Affiliate Claim has been redistributed to Class 4A in accordance with Section 6.5(e) of the Plan.

Liquidation Analysis for LBCS

(\$ in millions)

	Estimated Liquidation Assets	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Recovery			
						Liquidation		Plan	
						\$	%	\$	% ³
Cash & Cash Equivalents	\$1,601	\$1,601	Class 1:	Priority Non-Tax Claims	--	--	--	--	--
Restricted Cash	38	38	Class 2:	Secured Claims	\$38	\$38	100.0%	\$38	100.0%
<u>Financial Instruments & Other Inventory</u>			Class 3:	Convenience Claims	0	0	55.0%	0	55.0%
Real Estate	--	--	Class 4:	General Unsecured Claims	2,371	1,149	48.5%	1,205	50.8%
Loans	--	--							
Principal Investments	--	--							
Derivatives & Other Contracts	272	326	Class 5A: ⁴	Affiliate Claims of LBHI	1,515	571	37.7%	599	39.5%
Other Assets	9	10	Class 5B: ⁴	Affiliate Claims of Participating Subsidiary Debtors	--	--	--	--	--
Operating Asset Recoveries	\$1,920	\$1,975	Class 5C: ⁴	Affiliate Claims other than those of Participating Debtors	20	10	48.5%	10	50.8%
Recovery on Intercompany Receivables	\$89	\$99	Class 6: ⁴	Equity Interests	--	--	--	--	--
Recovery on Affiliate Guarantees	--	--							
Equity Interests in Affiliates	--	--							
TOTAL ASSETS	\$2,008	\$2,074							
<u>Administrative Expenses¹</u>									
Administrative Expenses & Other	--	--							
Post-Petition Intercompany Payables	(\$16)	(\$16)							
Operating Disbursements	(36)	(7)							
DISTRIBUTABLE ASSETS	\$1,956	\$2,050							
Contribution to Plan Adjustments	(\$189)	(\$198)							
NET DISTRIBUTABLE ASSETS	\$1,767	\$1,852	TOTALS		\$3,944	\$1,767		\$1,852	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

- 1 Comprised of administrative expenses, professional compensation and priority tax claims.
- 2 Debtor's best estimate of the amount of claims ultimately allowed in a Liquidation scenario.
- 3 Represents Plan recovery amount as a percentage of Liquidation Estimated Allowed Claims.
- 4 Represents Claims after the effects of setoff.

Liquidation Analysis for LBSF

(\$ in millions)

	Estimated Liquidation Assets	Estimated Plan Assets			Estimated Allowed Claims ³	Estimated Recovery			
						Liquidation		Plan	
						\$	%	\$	% ⁴
Cash & Cash Equivalents	\$7,937	\$7,937	Class 1:	Priority Non-Tax Claims	--	--	--	--	--
Restricted Cash	657	657	Class 2:	Secured Claims	\$765	\$765	100.0%	\$765	100.0%
<u>Financial Instruments & Other Inventory</u>			Class 3:	Convenience Claims	\$7	\$2	32.0%	2	32.0%
Real Estate	--	--							
Loans	1	1	Class 4A: ⁶⁷	General Unsecured Claims other than those of the Racers Trust	22,685	5,728	25.3%	6,326	27.9%
Principal Investments	--	--							
Derivatives & Other Contracts	3,067	4,033	Class 4B:	General Unsecured Claims of the Racers Trust	1,948	250	12.8%	277	14.2%
Other Assets	16	16	Class 5A: ⁵⁶	Affiliate Claims of LBHI	18,320	3,949	21.6%	4,379	23.9%
Operating Asset Recoveries	\$11,678	\$12,644	Class 5B: ⁵	Affiliate Claims of Participating Subsidiary Debtors	\$522	\$110	21.1%	\$122	23.4%
Recovery on Intercompany Receivables	\$980	\$1,163	Class 5C: ⁵⁷	Affiliate Claims other than those of Participating Debtors	4,195	1,041	24.8%	1,151	27.4%
Recovery on Affiliate Guarantees	--	--							
Equity Interests in Affiliates	281	349	Class 6: ⁵	Equity Interests	--	--	--	--	--
TOTAL ASSETS	\$12,939	\$14,156							
<u>Administrative Expenses¹</u>									
Administrative Expenses & Other	(\$19)	(\$19)							
Post-Petition Intercompany Payables	(122)	(122)							
Operating Disbursements	(536)	(500)							
Debtors' Cost Allocation ²	300	300							
DISTRIBUTABLE ASSETS	\$12,563	\$13,516							
Contribution to Plan Adjustments	(\$717)	(\$793)							
NET DISTRIBUTABLE ASSETS	\$11,846	\$13,023	TOTALS		\$48,441	\$11,846		\$13,023	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 In accordance with Debtor Allocation Agreement, Section 6.3 of the Plan.

3 Debtor's best estimate of the amount of claims ultimately allowed in a Liquidation scenario.

4 Represents Plan recovery amount as a percentage of Liquidation Estimated Allowed Claims.

5 Represents Claims after the effects of setoff.

6 The first \$100 million of Distributions made to Class 5A on account of its Allowed Affiliate Claim has been redistributed to Class 4A in accordance with Section 6.5(f) of the Plan.

7 Recovery percentage before potential Distribution in accordance with Section 6.5(d) of the Plan.

Liquidation Analysis for LOTC

(\$ in millions)

	Estimated Liquidation Assets	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Recovery			
						Liquidation		Plan	
						\$	%	\$	% ³
Cash & Cash Equivalents	\$233	\$233	Class 1:	Priority Non-Tax Claims	--	--	--	--	--
Restricted Cash	--	--	Class 2:	Secured Claims	--	--	--	--	--
<u>Financial Instruments & Other Inventory</u>			Class 3:	Convenience Claims	\$0	\$0	34.0%	\$0	34.0%
Real Estate	--	--	Class 4:	General Unsecured Claims	\$590	\$157	26.6%	175	29.6%
Loans	--	--							
Principal Investments	--	--							
Derivatives & Other Contracts	137	163	Class 5A: ⁴	Affiliate Claims of LBHI	194	45	23.1%	50	25.8%
Other Assets	--	--	Class 5B: ⁴	Affiliate Claims of Participating Subsidiary Debtors	8	2	23.1%	2	25.8%
Operating Asset Recoveries	\$369	\$396	Class 5C: ⁴	Affiliate Claims other than those of Participating Debtors	414	110	26.6%	123	29.6%
Recovery on Intercompany Receivables	--	--	Class 6: ⁴	Equity Interests	--	--	--	--	--
Recovery on Affiliate Guarantees	--	--							
Equity Interests in Affiliates	--	--							
TOTAL ASSETS	\$369	\$396							
<u>Administrative Expenses¹</u>									
Administrative Expenses & Other	--	--							
Post-Petition Intercompany Payables	(\$5)	(\$5)							
Operating Disbursements	(26)	(15)							
DISTRIBUTABLE ASSETS	\$338	\$376							
Contribution to Plan Adjustments	(\$24)	(\$26)							
NET DISTRIBUTABLE ASSETS	\$314	\$350	TOTALS		\$1,207	\$314		\$350	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

- 1 Comprised of administrative expenses, professional compensation and priority tax claims.
- 2 Debtor's best estimate of the amount of claims ultimately allowed in a Liquidation scenario.
- 3 Represents Plan recovery amount as a percentage of Liquidation Estimated Allowed Claims.
- 4 Represents Claims after the effects of setoff.

Liquidation Analysis for LBCC

(\$ in millions)

	Estimated Liquidation Assets	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Recovery			
						Liquidation		Plan	
						\$	%	\$	% ³
Cash & Cash Equivalents	\$535	\$535	Class 1:	Priority Non-Tax Claims	--	--	--	--	--
Restricted Cash	5	5	Class 2:	Secured Claims	\$5	\$5	100.0%	\$5	100.0%
Financial Instruments & Other Inventory			Class 3:	Convenience Claims	\$0	\$0	40.0%	0	40.0%
Real Estate	--	--	Class 4:	General Unsecured Claims	609	208	34.1%	218	35.8%
Loans	--	--	Class 5A: ⁴	Affiliate Claims of LBHI	133	--	--	--	--
Principal Investments	--	--	Class 5B: ⁴	Affiliate Claims of Participating Subsidiary Debtors	572	173	30.3%	182	31.8%
Derivatives & Other Contracts	154	175	Class 5C: ⁴	Affiliate Claims other than those of Participating Debtors	550	187	34.1%	197	35.8%
Other Assets	--	--	Class 6: ⁴	Equity Interests	--	--	--	--	--
Operating Asset Recoveries	\$694	\$715							
Recovery on Intercompany Receivables	\$0	\$0							
Recovery on Affiliate Guarantees	2	3							
Equity Interests in Affiliates	--	--							
TOTAL ASSETS	\$697	\$718							
Administrative Expenses ¹									
Administrative Expenses & Other	--	--							
Post-Petition Intercompany Payables	(7)	(7)							
Operating Disbursements	(\$29)	(\$18)							
DISTRIBUTABLE ASSETS	\$660	\$693							
Contribution to Plan Adjustments	(\$87)	(\$92)							
NET DISTRIBUTABLE ASSETS	\$573	\$602	TOTALS		\$1,869	\$573		\$602	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

- 1 Comprised of administrative expenses, professional compensation and priority tax claims.
- 2 Debtor's best estimate of the amount of claims ultimately allowed in a Liquidation scenario.
- 3 Represents Plan recovery amount as a percentage of Liquidation Estimated Allowed Claims.
- 4 Represents Claims after the effects of setoff.

Liquidation Analysis for LBDP

(\$ in millions)

	Estimated Liquidation Assets	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Recovery			
						Liquidation		Plan	
						\$	%	\$	% ³
Cash & Cash Equivalents	\$390	\$390	Class 1:	Priority Non-Tax Claims	--	--	--	--	--
Restricted Cash	0	0	Class 2:	Secured Claims	\$0	\$0	100.0%	\$0	100.0%
<u>Financial Instruments & Other Inventory</u>			Class 3: ⁵	General Unsecured Claims	76	76	100.0%	76	100.0%
Real Estate	--	--							
Loans	--	--	Class 4A: ⁴	Affiliate Claims of LBHI	--	--	--	--	--
Principal Investments	--	--							
Derivatives & Other Contracts	9	10	Class 4B: ^{4,5}	Affiliate Claims of Affiliates other than those of LBHI	123	123	100.0%	123	100.0%
Other Assets	--	--	Class 5:	Equity Interests	--	195	--	201	--
Operating Asset Recoveries	\$399	\$401							
Recovery on Intercompany Receivables	\$0	\$0							
Recovery on Affiliate Guarantees	--	--							
Equity Interests in Affiliates	--	--							
TOTAL ASSETS	\$399	\$401							
<u>Administrative Expenses¹</u>									
Administrative Expenses & Other	--	--							
Post-Petition Intercompany Payables	(\$0)	(\$0)							
Operating Disbursements	(5)	(0)							
DISTRIBUTABLE ASSETS	\$394	\$400							
Contribution to Plan Adjustments	--	--							
NET DISTRIBUTABLE ASSETS	\$394	\$400	TOTALS		\$199	\$394		\$400	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed in a Liquidation scenario.

3 Represents Plan recovery amount as a percentage of Liquidation Estimated Allowed Claims.

4 Represents Claims after the effects of setoff.

5 These claims may be entitled to post-petition interest at a rate to be determined by the Bankruptcy Court.

Liquidation Analysis for LBFP

(\$ in millions)

	Estimated Liquidation Assets	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Recovery			
						Liquidation		Plan	
						\$	%	\$	% ³
Cash & Cash Equivalents	\$423	\$423	Class 1:	Priority Non-Tax Claims	--	--	--	--	--
Restricted Cash	--	--	Class 2:	Secured Claims	--	--	--	--	--
Financial Instruments & Other Inventory			Class 3: ⁵	General Unsecured Claims	\$60	\$60	100.0%	\$60	100.0%
Real Estate	--	--							
Loans	--	--	Class 4A: ⁴⁵	Affiliate Claims of LBHI	1	1	80.0%	1	80.0%
Principal Investments	--	--							
Derivatives & Other Contracts	57	67	Class 4B: ⁴⁵	Affiliate Claims of Affiliates other than those of LBHI	203	203	100.0%	203	100.0%
Other Assets	--	--	Class 5:	Equity Interests	--	203	--	223	--
Operating Asset Recoveries	\$480	\$491							
Recovery on Intercompany Receivables	\$0	\$0							
Recovery on Affiliate Guarantees	--	--							
Equity Interests in Affiliates	--	--							
TOTAL ASSETS	\$480	\$491							
<u>Administrative Expenses¹</u>									
Administrative Expenses & Other	--	--							
Post-Petition Intercompany Payables	(\$1)	(\$1)							
Operating Disbursements	(12)	(2)							
DISTRIBUTABLE ASSETS	\$468	\$488							
Contribution to Plan Adjustments	--	--							
NET DISTRIBUTABLE ASSETS	\$468	\$488	TOTALS		\$265	\$468		\$488	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed in a Liquidation scenario.

3 Represents Plan recovery amount as a percentage of Liquidation Estimated Allowed Claims.

4 Represents Claims after the effects of setoff.

5 These claims may be entitled to post-petition interest at a rate to be determined by the Bankruptcy Court.

Liquidation Analysis for LB 745

(\$ in millions)

	Estimated Liquidation Assets	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Recovery			
						Liquidation		Plan	
						\$	%	\$	% ³
Cash & Cash Equivalents	--	--	Class 1:	Priority Non-Tax Claims	--	--	--	--	--
Restricted Cash	--	--	Class 2:	Secured Claims	--	--	--	--	--
Financial Instruments & Other Inventory			Class 3: ⁵	General Unsecured Claims	\$2	\$2	100.0%	\$2	100.0%
Real Estate	--	--							
Loans	--	--	Class 4A: ⁴⁵	Affiliate Claims of LBHI	46	36	79.1%	36	79.1%
Principal Investments	--	--							
Derivatives & Other Contracts	--	--	Class 4B: ⁴	Affiliate Claims of Affiliates other than those of LBHI	--	--	--	--	--
Other Assets	--	--	Class 5:	Equity Interests	--	298	--	310	--
Operating Asset Recoveries	--	--							
Recovery on Intercompany Receivables	\$336	\$348							
Recovery on Affiliate Guarantees	--	--							
Equity Interests in Affiliates	--	--							
TOTAL ASSETS	\$336	\$348							
<u>Administrative Expenses¹</u>									
Administrative Expenses & Other	--	--							
Post-Petition Intercompany Payables	--	--							
Operating Disbursements	--	--							
DISTRIBUTABLE ASSETS	\$336	\$348							
Contribution to Plan Adjustments	--	--							
NET DISTRIBUTABLE ASSETS	\$336	\$348	TOTALS		\$48	\$336		\$348	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed in a Liquidation scenario.

3 Represents Plan recovery amount as a percentage of Liquidation Estimated Allowed Claims.

4 Represents Claims after the effects of setoff.

5 These claims may be entitled to post-petition interest at a rate to be determined by the Bankruptcy Court.

Liquidation Analysis for PAMI STATLER

(\$ in millions)

	Estimated Liquidation Assets	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Recovery			
						Liquidation		Plan	
						\$	%	\$	% ³
Cash & Cash Equivalents	--	--	Class 1:	Priority Non-Tax Claims	--	--	--	--	--
Restricted Cash	--	--	Class 2:	Secured Claims	--	--	--	--	--
Financial Instruments & Other Inventory			Class 3:	General Unsecured Claims	\$0	--	--	--	--
Real Estate	\$10	\$13							
Loans	--	--	Class 4A: ⁴	Affiliate Claims of LBHI	0	--	--	--	--
Principal Investments	--	--							
Derivatives & Other Contracts	--	--	Class 4B: ⁴	Affiliate Claims of Affiliates other than those of LBHI	--	--	--	--	--
Other Assets	--	--	Class 5:	Equity Interests	--	--	--	--	--
Operating Asset Recoveries	\$10	\$13							
Recovery on Intercompany Receivables	--	--							
Recovery on Affiliate Guarantees	--	--							
Equity Interests in Affiliates	--	--							
TOTAL ASSETS	\$10	\$13							
<u>Administrative Expenses¹</u>									
Administrative Expenses & Other	--	--							
Post-Petition Intercompany Payables	(13)	(13)							
Operating Disbursements	(2)	--							
DISTRIBUTABLE ASSETS	--	--							
Contribution to Plan Adjustments	--	--							
NET DISTRIBUTABLE ASSETS	--	--	TOTALS		\$0	--		--	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

- 1 Comprised of administrative expenses, professional compensation and priority tax claims.
- 2 Debtor's best estimate of the amount of claims ultimately allowed in a Liquidation scenario.
- 3 Represents Plan recovery amount as a percentage of Liquidation Estimated Allowed Claims.
- 4 Represents Claims after the effects of setoff.

Liquidation Analysis for CES

(\$ in millions)

	Estimated Liquidation Assets	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Recovery			
						Liquidation		Plan	
						\$	%	\$	% ³
Cash & Cash Equivalents	\$0	\$0	Class 1:	Priority Non-Tax Claims	--	--	--	--	--
Restricted Cash	--	--	Class 2:	Secured Claims	--	--	--	--	--
Financial Instruments & Other Inventory			Class 3: ⁵	General Unsecured Claims	\$0	\$0	100.0%	\$0	100.0%
Real Estate	--	--							
Loans	--	--	Class 4A: ⁴⁵	Affiliate Claims of LBHI	22	17	80.0%	17	80.0%
Principal Investments	--	--							
Derivatives & Other Contracts	--	--	Class 4B: ⁴⁵	Affiliate Claims of Affiliates other than those of LBHI	1	1	100.0%	1	100.0%
Other Assets	--	--	Class 5:	Equity Interests	--	5	--	5	--
Operating Asset Recoveries	\$0	\$0							
Recovery on Intercompany Receivables	\$23	\$23							
Recovery on Affiliate Guarantees	--	--							
Equity Interests in Affiliates	--	--							
TOTAL ASSETS	\$24	\$24							
<u>Administrative Expenses¹</u>									
Administrative Expenses & Other	--	--							
Post-Petition Intercompany Payables	--	--							
Operating Disbursements	--	--							
DISTRIBUTABLE ASSETS	\$24	\$24							
Contribution to Plan Adjustments	--	--							
NET DISTRIBUTABLE ASSETS	\$24	\$24	TOTALS		\$23	\$24		\$24	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed in a Liquidation scenario.

3 Represents Plan recovery amount as a percentage of Liquidation Estimated Allowed Claims.

4 Represents Claims after the effects of setoff.

5 These claims may be entitled to post-petition interest at a rate to be determined by the Bankruptcy Court.

Liquidation Analysis for CES V

(\$ in millions)

	Estimated Liquidation Assets	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Recovery			
						Liquidation		Plan	
						\$	%	\$	% ³
Cash & Cash Equivalents	\$0	\$0	Class 1:	Priority Non-Tax Claims	--	--	--	--	--
Restricted Cash	--	--	Class 2:	Secured Claims	--	--	--	--	--
Financial Instruments & Other Inventory			Class 3:	General Unsecured Claims	\$0	\$0	51.9%	\$0	51.9%
Real Estate	--	--							
Loans	--	--	Class 4A: ⁴	Affiliate Claims of LBHI	8	3	41.5%	3	41.5%
Principal Investments	--	--							
Derivatives & Other Contracts	--	--	Class 4B: ⁴	Affiliate Claims of Affiliates other than those of LBHI	0	0	51.9%	0	51.9%
Other Assets	--	--	Class 5:	Equity Interests	--	--	--	--	--
Operating Asset Recoveries	\$0	\$0							
Recovery on Intercompany Receivables	\$3	\$3							
Recovery on Affiliate Guarantees	--	--							
Equity Interests in Affiliates	--	--							
TOTAL ASSETS	\$3	\$3							
<u>Administrative Expenses¹</u>									
Administrative Expenses & Other	--	--							
Post-Petition Intercompany Payables	--	--							
Operating Disbursements	--	--							
DISTRIBUTABLE ASSETS	\$3	\$3							
Contribution to Plan Adjustments	--	--							
NET DISTRIBUTABLE ASSETS	\$3	\$3	TOTALS		\$8	\$3		\$3	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

- 1 Comprised of administrative expenses, professional compensation and priority tax claims.
- 2 Debtor's best estimate of the amount of claims ultimately allowed in a Liquidation scenario.
- 3 Represents Plan recovery amount as a percentage of Liquidation Estimated Allowed Claims.
- 4 Represents Claims after the effects of setoff.

Liquidation Analysis for CES IX

(\$ in millions)

	Estimated Liquidation Assets	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Recovery			
						Liquidation		Plan	
						\$	%	\$	% ³
Cash & Cash Equivalents	\$0	\$0	Class 1:	Priority Non-Tax Claims	--	--	--	--	--
Restricted Cash	--	--	Class 2:	Secured Claims	--	--	--	--	--
Financial Instruments & Other Inventory			Class 3:	General Unsecured Claims	\$0	\$0	77.1%	\$0	77.1%
Real Estate	--	--							
Loans	--	--	Class 4A: ⁴	Affiliate Claims of LBHI	9	5	61.7%	5	61.7%
Principal Investments	--	--							
Derivatives & Other Contracts	--	--	Class 4B: ⁴	Affiliate Claims of Affiliates other than those of LBHI	0	0	77.1%	0	77.1%
Other Assets	--	--	Class 5:	Equity Interests	--	--	--	--	--
Operating Asset Recoveries	\$0	\$0							
Recovery on Intercompany Receivables	\$6	\$6							
Recovery on Affiliate Guarantees	--	--							
Equity Interests in Affiliates	--	--							
TOTAL ASSETS	\$6	\$6							
<u>Administrative Expenses¹</u>									
Administrative Expenses & Other	--	--							
Post-Petition Intercompany Payables	--	--							
Operating Disbursements	--	--							
DISTRIBUTABLE ASSETS	\$6	\$6							
Contribution to Plan Adjustments	--	--							
NET DISTRIBUTABLE ASSETS	\$6	\$6	TOTALS		\$9	\$6		\$6	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

- 1 Comprised of administrative expenses, professional compensation and priority tax claims.
- 2 Debtor's best estimate of the amount of claims ultimately allowed in a Liquidation scenario.
- 3 Represents Plan recovery amount as a percentage of Liquidation Estimated Allowed Claims.
- 4 Represents Claims after the effects of setoff.

Liquidation Analysis for East Dover

(\$ in millions)

	Estimated Liquidation Assets	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Recovery			
						Liquidation		Plan	
						\$	%	\$	% ³
Cash & Cash Equivalents	\$0	\$0	Class 1:	Priority Non-Tax Claims	--	--	--	--	--
Restricted Cash	--	--	Class 2:	Secured Claims	--	--	--	--	--
<u>Financial Instruments & Other Inventory</u>			Class 3: ⁵	General Unsecured Claims	\$0	\$0	100.0%	\$0	100.0%
Real Estate	--	--							
Loans	--	--	Class 4A: ⁴⁵	Affiliate Claims of LBHI	3	3	78.9%	3	78.9%
Principal Investments	--	--							
Derivatives & Other Contracts	--	--	Class 4B: ⁴	Affiliate Claims of Affiliates other than those of LBHI	--	--	--	--	--
Other Assets	--	--	Class 5:	Equity Interests	--	34	--	49	--
Operating Asset Recoveries	\$0	\$0							
Recovery on Intercompany Receivables	\$36	\$52							
Recovery on Affiliate Guarantees	--	--							
Equity Interests in Affiliates	0	0							
TOTAL ASSETS	\$36	\$52							
<u>Administrative Expenses¹</u>									
Administrative Expenses & Other	--	--							
Post-Petition Intercompany Payables	(0)	(0)							
Operating Disbursements	--	--							
DISTRIBUTABLE ASSETS	\$36	\$52							
Contribution to Plan Adjustments	--	--							
NET DISTRIBUTABLE ASSETS	\$36	\$52	TOTALS		\$3	\$36		\$52	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed in a Liquidation scenario.

3 Represents Plan recovery amount as a percentage of Liquidation Estimated Allowed Claims.

4 Represents Claims after the effects of setoff.

5 These claims may be entitled to post-petition interest at a rate to be determined by the Bankruptcy Court.

Liquidation Analysis for LS Finance

(\$ in millions)

	Estimated Liquidation Assets	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Recovery			
						Liquidation		Plan	
						\$	%	\$	% ³
Cash & Cash Equivalents	--	--	Class 1:	Priority Non-Tax Claims	--	--	--	--	--
Restricted Cash	\$2	\$2	Class 2:	Secured Claims	\$2	\$2	100.0%	\$2	100.0%
<u>Financial Instruments & Other Inventory</u>			Class 3:	General Unsecured Claims	--	--	--	--	--
Real Estate	--	--							
Loans	--	--	Class 4A: ⁴	Affiliate Claims of LBHI	--	--	--	--	--
Principal Investments	--	--							
Derivatives & Other Contracts	--	--	Class 4B: ⁴	Affiliate Claims of Affiliates other than those of LBHI	--	--	--	--	--
Other Assets	--	--	Class 5:	Equity Interests	--	2	--	2	--
Operating Asset Recoveries	\$2	\$2							
Recovery on Intercompany Receivables	\$2	\$2							
Recovery on Affiliate Guarantees	--	--							
Equity Interests in Affiliates	--	--							
TOTAL ASSETS	\$3	\$3							
<u>Administrative Expenses¹</u>									
Administrative Expenses & Other	--	--							
Post-Petition Intercompany Payables	(0)	(0)							
Operating Disbursements	--	--							
DISTRIBUTABLE ASSETS	\$3	\$3							
Contribution to Plan Adjustments	--	--							
NET DISTRIBUTABLE ASSETS	\$3	\$3	TOTALS		\$2	\$3		\$3	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

- 1 Comprised of administrative expenses, professional compensation and priority tax claims.
- 2 Debtor's best estimate of the amount of claims ultimately allowed in a Liquidation scenario.
- 3 Represents Plan recovery amount as a percentage of Liquidation Estimated Allowed Claims.
- 4 Represents Claims after the effects of setoff.

Liquidation Analysis for LUXCO

(\$ in millions)

	Estimated Liquidation Assets	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Recovery			
						Liquidation		Plan	
						\$	%	\$	% ³
Cash & Cash Equivalents	\$7	\$7	Class 1:	Priority Non-Tax Claims	--	--	--	--	--
Restricted Cash	--	--	Class 2:	Secured Claims	--	--	--	--	--
Financial Instruments & Other Inventory			Class 3:	General Unsecured Claims	--	--	--	--	--
Real Estate	225	405							
Loans	--	--	Class 4A: ⁴	Affiliate Claims of LBHI	--	--	--	--	--
Principal Investments	--	--							
Derivatives & Other Contracts	--	--	Class 4B: ⁴	Affiliate Claims of Affiliates other than those of LBHI	\$593	--	--	\$96	16.1%
Other Assets	--	--	Class 5:	Equity Interests	--	--	--	--	--
Operating Asset Recoveries	\$232	\$413							
Recovery on Intercompany Receivables	\$0	\$0							
Recovery on Affiliate Guarantees	--	--							
Equity Interests in Affiliates	--	--							
TOTAL ASSETS	\$232	\$413							
<u>Administrative Expenses¹</u>									
Administrative Expenses & Other	--	--							
Post-Petition Intercompany Payables	(\$286)	(\$286)							
Operating Disbursements	(17)	(31)							
DISTRIBUTABLE ASSETS	--	\$96							
Contribution to Plan Adjustments	--	--							
NET DISTRIBUTABLE ASSETS	--	\$96	TOTALS		\$593	--		\$96	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

- 1 Comprised of administrative expenses, professional compensation and priority tax claims.
- 2 Debtor's best estimate of the amount of claims ultimately allowed in a Liquidation scenario.
- 3 Represents Plan recovery amount as a percentage of Liquidation Estimated Allowed Claims.
- 4 Represents Claims after the effects of setoff.

Liquidation Analysis for BNC

(\$ in millions)

	Estimated Liquidation Assets	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Recovery			
						Liquidation		Plan	
						\$	%	\$	% ³
Cash & Cash Equivalents	\$17	\$17	Class 1:	Priority Non-Tax Claims	--	--	--	--	--
Restricted Cash	--	--	Class 2:	Secured Claims	--	--	--	--	--
Financial Instruments & Other Inventory			Class 3: ⁵	General Unsecured Claims	\$13	\$13	100.0%	\$13	100.0%
Real Estate	--	--							
Loans	--	--	Class 4A: ⁴	Affiliate Claims of LBHI	--	--	--	--	--
Principal Investments	--	--							
Derivatives & Other Contracts	--	--	Class 4B: ⁴⁵	Affiliate Claims of Affiliates other than those of LBHI	1	1	100.0%	1	100.0%
Other Assets	--	--	Class 5:	Equity Interests	--	3	--	3	--
Operating Asset Recoveries	\$17	\$17							
Recovery on Intercompany Receivables	--	0							
Recovery on Affiliate Guarantees	0	0							
Equity Interests in Affiliates	--	--							
TOTAL ASSETS	\$17	\$17							
<u>Administrative Expenses¹</u>									
Administrative Expenses & Other	--	--							
Post-Petition Intercompany Payables	(\$0)	(\$0)							
Operating Disbursements	--	--							
DISTRIBUTABLE ASSETS	\$17	\$17							
Contribution to Plan Adjustments	--	--							
NET DISTRIBUTABLE ASSETS	\$17	\$17	TOTALS		\$14	\$17		\$17	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

1 Comprised of administrative expenses, professional compensation and priority tax claims.

2 Debtor's best estimate of the amount of claims ultimately allowed in a Liquidation scenario.

3 Represents Plan recovery amount as a percentage of Liquidation Estimated Allowed Claims.

4 Represents Claims after the effects of setoff.

5 These claims may be entitled to post-petition interest at a rate to be determined by the Bankruptcy Court.

Liquidation Analysis for LB Rose Ranch

(\$ in millions)

	Estimated Liquidation Assets	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Recovery			
						Liquidation		Plan	
						\$	%	\$	% ³
Cash & Cash Equivalents	\$2	\$2	Class 1:	Priority Non-Tax Claims	--	--	--	--	--
Restricted Cash	--	--	Class 2:	Secured Claims	--	--	--	--	--
Financial Instruments & Other Inventory			Class 3:	General Unsecured Claims	\$6	--	--	\$4	61.0%
Real Estate	2	8							
Loans	--	--	Class 4A: ⁴	Affiliate Claims of LBHI	--	--	--	--	--
Principal Investments	--	--							
Derivatives & Other Contracts	--	--	Class 4B: ⁴	Affiliate Claims of Affiliates other than those of LBHI	--	--	--	--	--
Other Assets	--	--	Class 5:	Equity Interests	--	--	--	--	--
Operating Asset Recoveries	\$4	\$10							
Recovery on Intercompany Receivables	--	--							
Recovery on Affiliate Guarantees	--	--							
Equity Interests in Affiliates	--	--							
TOTAL ASSETS	\$4	\$10							
<u>Administrative Expenses¹</u>									
Administrative Expenses & Other	--	--							
Post-Petition Intercompany Payables	(\$6)	(\$6)							
Operating Disbursements	(0)	(0)							
DISTRIBUTABLE ASSETS	--	\$4							
Contribution to Plan Adjustments	--	--							
NET DISTRIBUTABLE ASSETS	--	\$4	TOTALS		\$6	--		\$4	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

- 1 Comprised of administrative expenses, professional compensation and priority tax claims.
- 2 Debtor's best estimate of the amount of claims ultimately allowed in a Liquidation scenario.
- 3 Represents Plan recovery amount as a percentage of Liquidation Estimated Allowed Claims.
- 4 Represents Claims after the effects of setoff.

Liquidation Analysis for SASCO

(\$ in millions)

	Estimated Liquidation Assets	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Recovery			
						Liquidation		Plan	
						\$	%	\$	% ³
Cash & Cash Equivalents	--	--	Class 1:	Priority Non-Tax Claims	--	--	--	--	--
Restricted Cash	--	--	Class 2:	Secured Claims	--	--	--	--	--
<u>Financial Instruments & Other Inventory</u>			Class 3:	General Unsecured Claims	\$162	\$57	35.1%	\$82	50.5%
Real Estate	--	--							
Loans	--	--	Class 4A: ⁴	Affiliate Claims of LBHI	588	165	28.1%	237	40.4%
Principal Investments	--	--							
Derivatives & Other Contracts	--	--	Class 4B: ⁴	Affiliate Claims of Affiliates other than those of LBHI	0	0	35.1%	0	50.5%
Other Assets	--	--	Class 5:	Equity Interests	--	--	--	--	--
Operating Asset Recoveries	--	--							
Recovery on Intercompany Receivables	\$222	\$319							
Recovery on Affiliate Guarantees	--	--							
Equity Interests in Affiliates	--	--							
TOTAL ASSETS	\$222	\$319							
<u>Administrative Expenses¹</u>									
Administrative Expenses & Other	--	--							
Post-Petition Intercompany Payables	(0)	(0)							
Operating Disbursements	--	--							
DISTRIBUTABLE ASSETS	\$222	\$319							
Contribution to Plan Adjustments	--	--							
NET DISTRIBUTABLE ASSETS	\$222	\$319	TOTALS		\$751	\$222		\$319	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

- 1 Comprised of administrative expenses, professional compensation and priority tax claims.
- 2 Debtor's best estimate of the amount of claims ultimately allowed in a Liquidation scenario.
- 3 Represents Plan recovery amount as a percentage of Liquidation Estimated Allowed Claims.
- 4 Represents Claims after the effects of setoff.

Liquidation Analysis for LB 2080

(\$ in millions)

	Estimated Liquidation Assets	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Recovery			
						Liquidation		Plan	
						\$	%	\$	% ³
Cash & Cash Equivalents	--	--	Class 1:	Priority Non-Tax Claims	--	--	--	--	--
Restricted Cash	--	--	Class 2:	Secured Claims	--	--	--	--	--
<u>Financial Instruments & Other Inventory</u>			Class 3:	General Unsecured Claims	\$9	\$0	0.8%	\$0	0.8%
Real Estate	--	--							
Loans	--	--	Class 4A: ⁴	Affiliate Claims of LBHI	--	--	--	--	--
Principal Investments	--	--							
Derivatives & Other Contracts	--	--	Class 4B: ⁴	Affiliate Claims of Affiliates other than those of LBHI	31	0	0.8%	0	0.8%
Other Assets	--	--	Class 5:	Equity Interests	--	--	--	--	--
Operating Asset Recoveries	--	--							
Recovery on Intercompany Receivables	\$0	\$0							
Recovery on Affiliate Guarantees	--	--							
Equity Interests in Affiliates	--	--							
TOTAL ASSETS	\$0	\$0							
<u>Administrative Expenses¹</u>									
Administrative Expenses & Other	--	--							
Post-Petition Intercompany Payables	(\$0)	(\$0)							
Operating Disbursements	--	--							
DISTRIBUTABLE ASSETS	\$0	\$0							
Contribution to Plan Adjustments	--	--							
NET DISTRIBUTABLE ASSETS	\$0	\$0	TOTALS		\$40	\$0		\$0	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

- 1 Comprised of administrative expenses, professional compensation and priority tax claims.
- 2 Debtor's best estimate of the amount of claims ultimately allowed in a Liquidation scenario.
- 3 Represents Plan recovery amount as a percentage of Liquidation Estimated Allowed Claims.
- 4 Represents Claims after the effects of setoff.

Liquidation Analysis for Merit

(\$ in millions)

	Estimated Liquidation Assets	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Recovery			
						Liquidation		Plan	
						\$	%	\$	% ³
Cash & Cash Equivalents	\$0	\$0	Class 1:	Priority Non-Tax Claims	--	--	--	--	--
Restricted Cash	--	--	Class 2:	Secured Claims	--	--	--	--	--
<u>Financial Instruments & Other Inventory</u>			Class 3:	General Unsecured Claims	--	--	--	--	--
Real Estate	--	--							
Loans	--	--	Class 4A: ⁴	Affiliate Claims of LBHI	--	--	--	--	--
Principal Investments	--	--							
Derivatives & Other Contracts	\$25	\$25	Class 4B: ⁴	Affiliate Claims of Affiliates other than those of LBHI	324	27	8.3%	32	10.0%
Other Assets	--	--	Class 5:	Equity Interests	--	--	--	--	--
Operating Asset Recoveries	\$25	\$25							
Recovery on Intercompany Receivables	\$5	\$6							
Recovery on Affiliate Guarantees	2	3							
Equity Interests in Affiliates	--	--							
TOTAL ASSETS	\$32	\$34							
<u>Administrative Expenses¹</u>									
Administrative Expenses & Other	--	--							
Post-Petition Intercompany Payables	(\$0)	(\$0)							
Operating Disbursements	(5)	(1)							
DISTRIBUTABLE ASSETS	\$27	\$32							
Contribution to Plan Adjustments	--	--							
NET DISTRIBUTABLE ASSETS	\$27	\$32	TOTALS		\$324	\$27		\$32	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

- 1 Comprised of administrative expenses, professional compensation and priority tax claims.
- 2 Debtor's best estimate of the amount of claims ultimately allowed in a Liquidation scenario.
- 3 Represents Plan recovery amount as a percentage of Liquidation Estimated Allowed Claims.
- 4 Represents Claims after the effects of setoff.

Liquidation Analysis for Somerset

(\$ in millions)

	Estimated Liquidation Assets	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Recovery			
						Liquidation		Plan	
						\$	%	\$	% ³
Cash & Cash Equivalents	--	--	Class 1:	Priority Non-Tax Claims	--	--	--	--	--
Restricted Cash	--	--	Class 2:	Secured Claims	--	--	--	--	--
<u>Financial Instruments & Other Inventory</u>			Class 3:	General Unsecured Claims	\$0	--	--	--	--
Real Estate	--	--							
Loans	--	--	Class 4A: ⁴	Affiliate Claims of LBHI	--	--	--	--	--
Principal Investments	--	--							
Derivatives & Other Contracts	--	--	Class 4B: ⁴	Affiliate Claims of Affiliates other than those of LBHI	7	--	--	--	--
Other Assets	--	--	Class 5:	Equity Interests	--	--	--	--	--
Operating Asset Recoveries	--	--							
Recovery on Intercompany Receivables	--	--							
Recovery on Affiliate Guarantees	--	--							
Equity Interests in Affiliates	--	--							
TOTAL ASSETS	--	--							
<u>Administrative Expenses¹</u>									
Administrative Expenses & Other	--	--							
Post-Petition Intercompany Payables	--	--							
Operating Disbursements	--	--							
DISTRIBUTABLE ASSETS	--	--							
Contribution to Plan Adjustments	--	--							
NET DISTRIBUTABLE ASSETS	--	--	TOTALS		\$8	--		--	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

- 1 Comprised of administrative expenses, professional compensation and priority tax claims.
- 2 Debtor's best estimate of the amount of claims ultimately allowed in a Liquidation scenario.
- 3 Represents Plan recovery amount as a percentage of Liquidation Estimated Allowed Claims.
- 4 Represents Claims after the effects of setoff.

Liquidation Analysis for Preferred Somerset

(\$ in millions)

	Estimated Liquidation Assets	Estimated Plan Assets			Estimated Allowed Claims ²	Estimated Recovery			
						Liquidation		Plan	
						\$	%	\$	% ³
Cash & Cash Equivalents	--	--	Class 1:	Priority Non-Tax Claims	--	--	--	--	--
Restricted Cash	--	--	Class 2:	Secured Claims	--	--	--	--	--
<u>Financial Instruments & Other Inventory</u>			Class 3:	General Unsecured Claims	\$0	--	--	--	--
Real Estate	--	--							
Loans	--	--	Class 4A: ⁴	Affiliate Claims of LBHI	--	--	--	--	--
Principal Investments	--	--							
Derivatives & Other Contracts	--	--	Class 4B: ⁴	Affiliate Claims of Affiliates other than those of LBHI	10	--	--	--	--
Other Assets	--	--	Class 5:	Equity Interests	--	--	--	--	--
Operating Asset Recoveries	--	--							
Recovery on Intercompany Receivables	--	--							
Recovery on Affiliate Guarantees	--	--							
Equity Interests in Affiliates	--	--							
TOTAL ASSETS	--	--							
<u>Administrative Expenses¹</u>									
Administrative Expenses & Other	--	--							
Post-Petition Intercompany Payables	--	--							
Operating Disbursements	--	--							
DISTRIBUTABLE ASSETS	--	--							
Contribution to Plan Adjustments	--	--							
NET DISTRIBUTABLE ASSETS	--	--	TOTALS		\$10	--		--	

Note: All values that are exactly zero and all recovery percentages where the corresponding recovery amount is zero are shown as "--". Values between zero and \$500,000 appear as "0".

- 1 Comprised of administrative expenses, professional compensation and priority tax claims.
- 2 Debtor's best estimate of the amount of claims ultimately allowed in a Liquidation scenario.
- 3 Represents Plan recovery amount as a percentage of Liquidation Estimated Allowed Claims.
- 4 Represents Claims after the effects of setoff.

Exhibit 6

Debtors' Estimates of Claims and Claims Data

1. Introduction

The Claims information contained in the Disclosure Statement is the product of ongoing analysis, review, negotiation, and settlements of the Claims filed against the Debtors by both third parties and Affiliates. Proofs of Claim, as originally filed, were subject to multiple levels of review to sort Claims by type, Primary Obligor (for Guarantee Claims) and – to the extent adequate information was available – enforceability of the Claim and validity of the Claim amount. This Exhibit 6 reconciles the Claim amounts currently on the claims register in the Chapter 11 Cases, as reported by Epiq Bankruptcy Solutions LLC (“Epiq”) as of May 13, 2011 (which accounts for claims that have already been withdrawn, amended, reclassified or disallowed by the Bankruptcy Court) (the “Filed Amounts” or “Filed Claims”) to (i) the Debtors’ estimate of what amounts will ultimately be Allowed, after the Debtors have completed their review (the “Debtors’ Estimate of Claim Amounts”) and (ii) the Allowed Claim amounts, after taking into account other adjustments made to the Debtors’ Estimate of Claim Amounts (the “Estimated Allowed Claims”).

The Debtors continue to review, analyze and form conclusions with respect to the Filed Claims and the Debtors’ Estimate of Claim Amounts. This Exhibit summarizes the analysis performed by the Debtors through May 13, 2011 in order to arrive at the Debtors’ Estimate of Claim Amounts. The Debtors’ Estimate of Claim Amounts will continue to change as the Debtors continue their review.⁶ The Debtors’ Estimate of Claim Amounts included herein have been prepared internally by the Debtors, and may differ from the amounts ultimately Allowed.

2. Source Data

The Filed Amounts reflect the amounts of the Claims as set forth on the claims register maintained by Epiq as of May 13, 2011. The Filed Amounts differ from Claim amounts as originally filed because they account for Claim objections that have been approved by the Bankruptcy Court and resulted in either an order of the Bankruptcy Court that certain Claims be expunged or reduced in amount, Claim withdrawals, or settlements. The Filed Amounts therefore represent the most current status of the Claims register in the Chapter 11 Cases as of May 13, 2011. Claim objections that have been approved by the Bankruptcy Court include objections based on duplicate Claims, amended and superseded Claims, late filed Claims, and Claims for which the Debtors have asserted no liability or only partial liability. After May 13, 2011, approximately \$3

⁶ For the Debtors’ Estimates of Claim Amounts to be binding on a particular creditor, either (i) such creditor must agree to the Debtors’ adjustments and file an amended Claim, (ii) the Debtors must object to the creditor’s Claims and have the Claim adjudicated either by the Bankruptcy Court, or by means of certain claims hearing procedures and alternative dispute resolution procedures or (iii) the Plan, once confirmed, provides for a particular treatment of Claims.

billion of Filed Claims have been expunged or withdrawn, reducing the Filed Amounts to approximately \$761 billion. The Debtors had already taken account the effects of these expungements in the Debtors' Estimate of Claim Amounts.

For the purposes of Debtors' Estimate of Claim Amounts herein, Claims that do not indicate the name of the Debtor against whom such Claims are filed (approximately \$3.6 billion of Filed Amounts and \$1 billion of Debtors' Estimate of Claim Amounts) are assumed to be Claims held against LBHI and are reflected in the Annexes as such. All Guarantee Claims are assumed to be Claims against LBHI and can be identified by Primary Obligor.

3. Debtors' Adjustments to Filed Claim Amounts

Approximately 67,000 Claims were filed against the Debtors, in amounts totaling approximately \$1.2 trillion (including duplicate Claims and estimated amounts for certain unliquidated claims). At the time of the filing of the Debtors' chapter 11 plan in March of 2010, the Debtors had only had the opportunity to perform a limited review of the Claims. As a result of that initial review, the Debtors' Estimate of Claim Amounts of all Claims filed against the Debtors was \$740 billion. As of May 13, 2011, approximately 48,000 Filed Claims remain on the Claims register against all of the Debtors in an aggregate amount of approximately \$764 billion. Based upon the Debtors' continued review and analysis, and negotiations and settlements with creditors and purported creditors, the Debtors' Estimate of Claim Amounts equal approximately \$362 billion. The primary adjustments to the Filed Amounts that the Debtors have made in order to arrive at the current Debtors' Estimate of Claim Amounts are summarized and described below.

Filed Claim Amount as of May 13, 2011 (in billions)	\$764
Reductions related to:	
Accounts Payable and Other	(113)
Third-Party Guarantee Claims	(83)
Affiliate Guarantee Claims	(72)
Affiliate Claims	(59)
Claims Based on Derivative Contracts	(45)
Debt	(22)
Debtors' Estimate of Claim Amounts As Of May 13, 2011	\$370
Other Adjustments	(8)
Estimated Allowed Claims	\$362

a. Accounts Payable And Other

Filed Claims were reduced by \$113 billion primarily due to the following:

(i) Residential Mortgage Backed Securities

As more fully described in section V.F — “Residential Mortgage Loan Representation/Warranty Claims” – of the Disclosure Statement, parties have filed approximately 1,100 Claims totaling \$67 billion as of May 13, 2011, asserting obligations to repurchase mortgage loans or indemnification for breaches of representations, warranties or covenants. Based on the Debtors’ review of Claims to date, and the Debtors’ institutional knowledge regarding the success rate of asserted repurchase and indemnity claims in the market, the Debtors’ Estimate of Claim Amounts based on the Debtors’ repurchase and indemnity obligations for residential mortgage loans will ultimately be significantly less than the amount of Filed Claims. Specifically, the Debtors believe that certain of the Claims filed are duplicative of other Filed Claims, certain of the Claims were filed in amounts in excess of the damages, and certain of the claimants will be unable to provide sufficient documentation to substantiate all or a portion of their Claims. The Debtors Estimate of Claim Amounts for these obligations will be approximately \$10.4 billion. These are reflected in the attached Annexes in the Accounts Payable & Other claim types.

(ii) Tax

The IRS filed a proof of claim asserting pre-petition tax claims of approximately \$2.2 billion against LBHI in respect of the 2001 through 2007 tax years of the LBHI Group (as more fully described in section X.C.1.c – “Priority Tax Claims” – of the Disclosure Statement). Because each member of the LBHI Group is severally liable for this \$2.2 billion, the IRS has included this liability in each proof of claim it filed against certain Subsidiary Debtors (in addition to separate entity claims against certain Subsidiary Debtors). However, the IRS will only collect the amount of the ultimately determined consolidated income tax liability once. These claims have therefore been reduced by \$17 billion in the Debtors’ Estimate of Claim Amounts.

(iii) Prime Brokerage

Prime brokerage agreements were typically arrangements between a third party and LBI or LBIE. Prime brokerage creditors have filed claims against LBHI and other debtor affiliates who are not party to the prime brokerage agreements. Based on the Debtors' review of the agreements, it appears that only LBI and LBIE executed such agreements with third parties. Although the Debtors were referred to in the definition of "Lehman" in the agreement, there is no evidence to suggest that either LBHI or its Debtor Affiliates authorized LBI or LBIE to act as their agent in connection with the agreements. In addition, certain prime brokerage claimants have provided the Guarantee Resolutions as additional support for their Claims. The Debtors intend to challenge these Claims. As such, the Filed Claims related to the prime brokerage accounts reflected in (i) Third Party Guarantees and (ii) Accounts Payable and Other, of \$11 billion and \$11 billion, respectively, have been reduced to zero in the Debtor's Estimate of Claim Amounts.

(iv) Identified Objections

The Debtors reduced the amount of Filed Claims by \$10 billion to account for potential future Claim objections on various grounds including that such Claims (i) are duplicative, (ii) are amendments to other Claims, (iii) fail to state a liability attributable to the Debtors, (iv) were not timely filed, (v) lack sufficient supporting documentation, or (vi) were filed in excessive amounts.

b. Third Party Guarantees

LBHI has reviewed the majority of the significant Third-Party Guarantee Claims to determine if such Claims are supported by a valid Guarantee. In addition, to the extent adequate information was available at the time of the analysis, LBHI reviewed the reasonableness of the Claim amounts based on the primary obligation. The following summarizes the major components of the reduction in the Filed Amounts of Third Party Guarantee Claims.

(i) Bankhaus: LBHI has reduced two Third Party Guarantee Claims related to Bankhaus by an aggregate amount equal to \$27 billion. One of these Claims was filed by the Association of German Banks (*Bundesverband deutscher Banken*) (The "BdB"), based on a purported indemnification granted by LBHI to the BdB for any losses that the BdB incurs as a result of the BdB's obligation to make payments to depositors of Bankhaus pursuant to the by-laws of the German Deposit Protection Fund (the "BdB Claim"). The Debtors have reduced the BdB Claim in the Debtors' Estimate of Claim Amounts based on the Debtors' estimate of actual payments that the BdB will make to depositors, and for the recoveries that the BdB will realize on its claim against Bankhaus on account of such payments to depositors. The Debtors have also reduced the Claim filed by the Deutsche Bundesbank to account for the Debtors' estimate of the recoveries that the Deutsche Bundesbank will realize from certain collateral.

(ii) Derivative Contracts: As more fully described below, the Debtors reduced Guarantee Claims based on Derivative Contracts by approximately \$22 billion to reflect the Debtors' Estimate of Claim Amounts for Claims based on Derivative Contracts, which includes a reduction of Guarantee Claims filed by the Big Banks (defined below).

(iii) SPV Structures: The Debtors reduced the Filed Amounts by approximately \$8 billion to account for the Debtors' Estimate of Claim Amounts for (i) Claims filed by U.S. Bank National Association on behalf of RACERS MM Trust and RACERS A Trust, as discussed more fully at in section IV.H.1.b – “The RACERS Transactions” – of the Disclosure Statement, and (ii) Claims filed by holders of Hong Kong Minibonds.

(iv) Prime Brokerage Agreements: As more fully described in paragraph (a.iii) above, the Debtors reduced all prime brokerage Guarantee Claims to zero resulting in a \$11 billion reduction in Third Party Guarantee Claims.

(v) Guarantee Resolution: Third-Party Guarantee Claims based on Guarantee Resolutions are subject to challenge for the reasons set forth in section V.C – “Validity and Enforceability of Guarantee Claims” – of the Disclosure Statement. Accordingly, these Claims totaling approximately \$6 billion have been reduced to zero in the Debtors' Estimate of Claim Amounts.

c. Affiliate Guarantee Claims

See Annex B-2 for reductions in Affiliate Guarantee Claims.

d. Affiliate Claims

Affiliate Claims reflect direct claims related to intercompany balances and other transactions filed by Non-Controlled Affiliates against the Debtors. Affiliate Claims were filed totaling approximately \$122 billion and have been reduced to reflect the Debtors' Estimate of Claim Amounts of approximately \$63 billion. This reduction is based on the Debtors' analysis of Affiliate Claims and transactions, and discussions that the Debtors have had with Affiliates regarding Claim amounts and validity. Because Debtors and Debtor-Controlled Entities were not required to file Claims, the foregoing amounts do not include Claims that Debtors and Debtor-Controlled Entities hold against the Debtors.

e. Derivatives

(i) Identified Objections

Filed Claims that have been set aside for potential future objections total approximately \$24 billion. The majority of this reduction relates to one Claim.

(ii) Big Banks

The Debtors have identified approximately 30 major financial institutions (“Big Banks”) that filed approximately \$22 billion in Claims (the “Big Bank Claims”) based on Derivative Contracts, primarily against LBSF, and related Guarantee Claims against LBHI. The Debtors proposed a settlement amount for the allowance of each Big Bank Claim calculated pursuant to the Derivatives Framework. Based on amounts set forth in the Derivatives Framework, the Debtors have entered into settlements with ~~seven~~eight of the Big Banks, and are in various stages of negotiations with the remainder of Big Banks. For the purposes of estimating Claims, the Debtors have reduced the total amount of the Big Bank Claims to approximately \$10.3 billion, to reflect a more accurate indication of the Debtors’ Estimate of Claim Amounts. In addition, the corresponding Guarantee Claims were similarly reduced. The Debtors’ negotiations with the Big Banks are discussed more fully at section V.E. of the Disclosure Statement.

(iii) SPV Structures

A \$10 billion reduction to the Filed Amounts relates to the revised Debtors’ Estimate of Claim Amounts for (1) Claims filed for U.S. Bank National Association on behalf of RACERS MM Trust and RACERS A Trust, as discussed more fully at section IV.H.b – “The RACERS Transactions” – of the Disclosure Statement, and (2) Claims filed by holders of Hong Kong Minibonds.

f. Debt

Filed debt Claims were reduced by \$22 billion to reflect the Debtors’ Estimate of Claim Amounts for LBHI Senior and Subordinated Debt principal obligations plus accrued interest as of the Commencement Date. The reductions were primarily due to Claims that the Debtors have identified as duplicative.

g. Unliquidated Claims

Unliquidated Claims are those for which a Proof of Claim either did not specify an amount, or specified an amount as being either a partial estimate or minimum amount of the asserted Claim. The Debtors have reviewed the unliquidated Claims and adjusted the Claim amounts to an indicated amount or an estimated amount. There were approximately 3,700 fully unliquidated claims in which no amount was indicated and for which the Debtors are unable to estimate an amount. The Debtors’ Estimate of Claim Amounts for such Claims therefore is zero. The fully unliquidated Claims were primarily Claims classified as accounts payable and third party Guarantee Claims. It is the Debtors’ view that the adjusted Claim amounts adequately reflect all material claims against the Debtors.

h. JPMorgan

As more fully described in section IV.E.2 – “Transaction with JPMorgan” – of the Disclosure Statement, JPMorgan and certain of its affiliates, and LBHI, with other Debtors, entered into the CDA. Pursuant to the CDA, JPMorgan and

its affiliates reduced their claims from approximately \$7.7 billion to \$524 million through the application of collateral. LBHI made a one-time cash payment to JPMorgan in the amount of approximately \$524 million. This amount was subsequently offset against a \$40 million payment from JPMorgan to LBHI on account of certain claims asserted by LBHI against JPMorgan and effectively reduced to \$484 million. Thus, Claims from JPMorgan, for which the bank held the subject collateral, have been reduced to zero (subject to a reservation of rights). The Debtors have reflected the \$1.9 billion in Claims assumed from JP Morgan (subject to CDA collateral) as Derivatives.

4. Other Adjustments

The following adjustments have been made to the Debtors' Estimate of Claim Amounts:

- a.** A \$46 billion adjustment to Affiliate Guarantee Claims that relates primarily to an adjustment to the Debtors' Estimate of Claim Amounts to allow for the risk associated with the enforceability of asserted Guarantee Claims and the risk of substantive consolidation as well as an adjustment to reflect the set-off of Affiliate Guarantee amounts with other amounts payable from the Affiliates to LBHI.
- b.** A \$40 billion adjustment to Affiliate Claims which includes an increase to reflect the Debtors' Estimate of Claim Amounts of Affiliate Claims between the Debtors as well as the set-off of Affiliate Claim amounts with other amounts owed between Affiliates.
- c.** For the Allowed Claims of the Racers 2007-A Trusts against LBHI and LBSF, see section X.B.4 – "Plan Negotiations With Certain Creditors" – of the Disclosure Statement.
- d.** Priority tax claims of \$1.5 billion were reduced to zero and the Debtors' Estimate of this obligation will be included in Administrative Expenses in the Recovery Analysis
- e.** An adjustment of \$3.4 billion was made to Secured Claims to reflect estimates of restricted cash balances and encumbered assets.
- f.** A reduction of approximately \$33 million was made to Convenience Claims based on the assumption that certain creditors holding Claims above \$50,000 are likely to elect to participate in Convenience Classes with a reduced Allowed Claim of \$50,000, in exchange for the higher recovery rate that is provided for Convenience Classes in

the Plan. For example, a claimant with a claim of \$55,000 in LBHI Class 3 may expect a 21.1% recovery, *i.e.*, \$11,613. However, if the same creditor elects to participate in one of LBHI's Convenience Classes, Class 6A, the \$55,000 claim would be reduced to \$50,000, but would receive a 26% recovery, *i.e.*, \$13,000. From a recovery perspective, it would make sense for such a creditor to participate in the Convenience Class with a lower Allowed Claim of \$50,000. The Debtors have assumed that creditors with claims greater than \$50,000 will chose to participate in the Convenience Classes to the extent that their recoveries would be greater than or equal to the recoveries projected for their respective Debtors' Convenience Classes, and that even if their recoveries would be equal, such creditors would prefer the earlier Distributions that the Debtors will make to their respective Convenience Classes.

5. Claim Detail

Set forth below is a list of the Annexes to this Exhibit 6⁷:

Annex A: Information Regarding Claims against LBHI and each other Debtor filed by Third Parties and Affiliates

Annex B: Information Regarding Claims Only Against LBHI

- Annex B-1: Third Party Guarantee Claims
- Annex B-2: Affiliate Guarantee Claims

⁷

Amounts set forth in the Annexes have been rounded and totals may not foot.

Annex A-1: Third Party & Affiliate Claims by Claim Type Against Each Debtor (Page 1 of 2)

(\$ in millions)

Claim Type	Lehman Brothers Holdings Inc.	Lehman Brothers Special Financing Inc.	Lehman Commercial Paper Inc.	Lehman Brothers Commodity Services Inc.	Lehman Brothers Commercial Corporation	Lehman Brothers OTC Derivatives Inc.
Total Affiliate Guarantee Claims	\$ 13,001	\$ -	\$ -	\$ -	\$ -	\$ -
Total Direct Affiliate Claims	52,334	23,037	22,733	1,535	1,254	616
Third Party Claims						
Third Party Guarantees	94,640	-	-	-	-	-
Accounts Payable & Other	11,444	138	7,942	754	2	2
Debt	83,724	-	-	-	-	-
Debt - Subordinated	15,277	-	-	-	-	-
Total Debt	\$ 99,001	\$ -	\$ -	\$ -	\$ -	\$ -
Derivatives	-	24,500	41	1,617	608	589
Total Third Party Claims	\$ 205,085	\$ 24,639	\$ 7,983	\$ 2,371	\$ 610	\$ 591
Total General Unsecured Claims	\$ 270,420	\$ 47,676	\$ 30,717	\$ 3,907	\$ 1,864	\$ 1,207
Priority - Non-Tax	3	-	-	-	-	-
Priority - Tax	-	-	-	-	-	-
Secured	2,481	765	144	38	5	-
Estimated Allowed Claims	\$ 272,904	\$ 48,441	\$ 30,861	\$ 3,944	\$ 1,869	\$ 1,207

Claim Type	Structured Asset Securities Corporation	Merit, LLC	Lehman Brothers Derivative Products Inc.	Lehman Brothers Financial Products Inc.	CES Aviation LLC	BNC Mortgage LLC
Total Affiliate Guarantee Claims	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Direct Affiliate Claims	588	324	123	205	23	1
Third Party Claims						
Third Party Guarantees	-	-	-	-	-	-
Accounts Payable & Other	162	-	0	2	0	13
Debt	-	-	-	-	-	-
Debt - Subordinated	-	-	-	-	-	-
Total Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Derivatives	-	-	76	58	-	-
Total Third Party Claims	\$ 162	\$ -	\$ 76	\$ 60	\$ 0	\$ 13
Total General Unsecured Claims	\$ 751	\$ 324	\$ 199	\$ 265	\$ 23	\$ 14
Priority - Non-Tax	-	-	-	-	-	-
Priority - Tax	-	-	-	-	-	-
Secured	-	-	0	-	-	-
Estimated Allowed Claims	\$ 751	\$ 324	\$ 199	\$ 265	\$ 23	\$ 14

Annex A-1: Third Party & Affiliate Claims by Claim Type Against Each Debtor (Page 2 of 2)

(\$ in millions)

Claim Type	LB 2080 Kalakaua Owners LLC	LB Rose Ranch LLC	LB Somerset LLC	East Dover Limited	LB 745 LLC	CES Aviation V LLC
Total Affiliate Guarantee Claims	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Direct Affiliate Claims	31	-	7	3	46	8
Third Party Claims						
Third Party Guarantees	-	-	-	-	-	-
Accounts Payable & Other	9	6	0	0	2	0
Debt	-	-	-	-	-	-
Debt - Subordinated	-	-	-	-	-	-
Total Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Derivatives	-	-	-	-	-	-
Total Third Party Claims	\$ 9	\$ 6	\$ 0	\$ 0	\$ 2	\$ 0
Total General Unsecured Claims	\$ 40	\$ 6	\$ 8	\$ 3	\$ 48	\$ 8
Priority - Non-Tax	-	-	-	-	-	-
Priority - Tax	-	-	-	-	-	-
Secured	-	-	-	-	-	-
Estimated Allowed Claims	\$ 40	\$ 6	\$ 8	\$ 3	\$ 48	\$ 8

Claim Type	PAMI Statler Arms LLC	CES Aviation IX LLC	Lehman Scottish Finance L.P.	Luxembourg Residential Properties Loan Finance S.a.r.l.	LB Preferred Somerset LLC	Total Debtors
Total Affiliate Guarantee Claims	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,001
Total Direct Affiliate Claims	0	9	-	593	10	103,483
Third Party Claims						
Third Party Guarantees	-	-	-	-	-	94,640
Accounts Payable & Other	0	0	-	-	0	20,478
Debt	-	-	-	-	-	83,724
Debt - Subordinated	-	-	-	-	-	15,277
Total Debt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 99,001
Derivatives	-	-	-	-	-	27,488
Total Third Party Claims	\$ 0	\$ 0	\$ -	\$ -	\$ 0	\$ 241,607
Total General Unsecured Claims	\$ 0	\$ 9	\$ -	\$ 593	\$ 10	\$ 358,091
Priority - Non-Tax	-	-	-	-	-	3
Priority - Tax	-	-	-	-	-	-
Secured	-	-	2	-	-	3,435
Estimated Allowed Claims	\$ 0	\$ 9	\$ 2	\$ 593	\$ 10	\$ 361,529

Annex A-2: Third Party & Affiliate Claims Against All Debtors Sorted by Type

(\$ in millions)

Claim Type	Filed Amount per Epiq*	Debtors' Adjustments to Filed Claim Amounts	Debtors' Estimate of Claim Amounts	Other Adjustments **	Estimated Allowed Claims
Total Affiliate Guarantee Claims ¹	\$ 131,438	\$ (72,422)	\$ 59,015	\$ (46,014)	\$ 13,001
Total Direct Affiliate Claims ²	121,524	(58,104)	63,419	40,064	103,483
Third Party Claims					
Third Party Guarantees	180,272	(83,110)	97,162	(2,521)	94,640
Accounts Payable & Other	133,217	(113,016)	20,201	277	20,478
Debt	108,518	(24,747)	83,772	(48)	83,724
Debt - Subordinated	12,478	2,799	15,277	-	15,277
Total Debt	\$ 120,997	\$ (21,948)	\$ 99,049	\$ (48)	\$ 99,001
Derivatives	74,700	(44,722)	29,979	(2,490)	27,488
Total Third Party Claims	\$ 509,186	\$ (262,796)	\$ 246,390	\$ (4,783)	\$ 241,607
Total General Unsecured Claims	\$ 762,147	\$ (393,322)	\$ 368,825	\$ (10,733)	\$ 358,091
Priority - Non-Tax	3	-	3	-	3
Priority - Tax	1,503	-	1,503	(1,503)	-
Secured	-	-	-	3,435	3,435
Total Claims	\$ 763,653	\$ (393,322)	\$ 370,331	\$ (8,802)	\$ 361,529

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but do not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

** Other Adjustments includes a reduction of approximately \$33.2 million related to convenience claims. This reduction is a result of the Debtor's estimate that certain claimants with estimated claims above \$50,000 will elect to participate in convenience classes and have an Allowed Claim of \$50,000.

¹ The combined amount of Other Adjustments to Affiliate Guarantee Claims is approximately \$46 billion. The Debtors have significant defenses to the enforceability of asserted Guarantee Claims. As such, the allowed amount of these claims is based on the Debtors' estimate of these claims after providing for the risk related to enforceability and substantive consolidation. Adjustment also reflects the set-off of Affiliate Guarantee Claims against other amounts payable from the Affiliates to LBHI.

² The combined amount of Other Adjustments to Affiliate Claims is approximately \$40 billion. Adjustments include an increase to reflect Debtors' estimate of Affiliate Claims between Debtors, as well as the set-off of Affiliate Claims against other amounts owed between affiliates.

Annex A-3: Third Party & Affiliate Claims Against Lehman Brothers Holdings Inc. Sorted by Type

(\$ in millions)

Claim Type	Filed Amount per Epiq*	Debtors' Adjustments to Filed Claim Amounts	Debtors' Estimate of Claim Amounts	Other Adjustments **	Estimated Allowed Claims
Total Affiliate Guarantee Claims ¹	\$ 131,437	\$ (72,422)	\$ 59,015	\$ (46,014)	\$ 13,001
Total Direct Affiliate Claims ²	84,767	(32,272)	52,496	(161)	52,334
Third Party Claims					
Third Party Guarantees	178,293	(81,131)	97,162	(2,521)	94,640
Accounts Payable & Other	66,154	(54,757)	11,396	47	11,444
Debt	108,143	(24,371)	83,772	(48)	83,724
Debt - Subordinated	12,478	2,799	15,277	-	15,277
Total Debt	\$ 120,621	\$ (21,572)	\$ 99,049	\$ (48)	\$ 99,001
Derivatives	110	(110)	-	-	-
Total Third Party Claims	\$ 365,179	\$ (157,571)	\$ 207,607	\$ (2,522)	\$ 205,085
Total General Unsecured Claims	\$ 581,383	\$ (262,265)	\$ 319,118	\$ (48,698)	\$ 270,420
Priority - Non-Tax	3	-	3	-	3
Priority - Tax	1,339	-	1,339	(1,339)	-
Secured	-	-	-	2,481	2,481
Total Claims	\$ 582,725	\$ (262,265)	\$ 320,460	\$ (47,556)	\$ 272,904

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but does not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

** Other Adjustments includes a reduction of approximately \$33.1 million related to convenience claims. This reduction is a result of the Debtor's estimate that certain claimants with estimated claims above \$50,000 will elect to participate in convenience classes and have an Allowed Claim of \$50,000.

¹ The combined amount of Other Adjustments to Affiliate Guarantee Claims is approximately \$46 billion. The Debtors have significant defenses to the enforceability of asserted Guarantee Claims. As such, the allowed amount of these claims is based on the Debtors' estimate of these claims after providing for the risk related to enforceability and substantive consolidation. Adjustment also reflects the set-off of Affiliate Guarantee Claims against other amounts payable from the Affiliates to LBHI.

² The combined amount of Other Adjustments to Affiliate Claims is approximately \$161 million. Adjustments include a decrease to reflect Debtors' estimate of Affiliate Claims between Debtors, as well as the set-off of Affiliate Claims against other amounts owed between affiliates.

Annex A-4: Third Party & Affiliate Claims Against Lehman Brothers Special Financing Inc. Sorted by Type

(\$ in millions)

Claim Type	Filed Amount per Epiq*	Debtors' Adjustments to Filed Claim Amounts	Debtors' Estimate of Claim Amounts	Other Adjustments **	Estimated Allowed Claims
Total Direct Affiliate Claims ¹	\$ 30,159	\$ (23,210)	\$ 6,948	\$ 16,089	\$ 23,037
Third Party Claims					
Third Party Guarantees	251	(251)	-	-	-
Accounts Payable & Other	7,859	(7,721)	138	(0)	138
Debt	0	(0)	-	-	-
Debt - Subordinated	-	-	-	-	-
Total Debt	\$ 0	\$ (0)	\$ -	\$ -	\$ -
Derivatives	70,566	(43,559)	27,007	(2,506)	24,500
Total Third Party Claims	\$ 78,676	\$ (51,531)	\$ 27,145	\$ (2,506)	\$ 24,639
Total General Unsecured Claims	\$ 108,835	\$ (74,741)	\$ 34,094	\$ 13,582	\$ 47,676
Priority - Non-Tax	-	-	-	-	-
Priority - Tax	19	-	19	(19)	-
Secured	-	-	-	765	765
Total Claims	\$ 108,854	\$ (74,741)	\$ 34,113	\$ 14,328	\$ 48,441

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but does not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

** Other Adjustments includes a reduction of approximately \$69 thousand related to convenience claims. This reduction is a result of the Debtor's estimate that certain claimants with estimated claims above \$50,000 will elect to participate in convenience classes and have an Allowed Claim of \$50,000.

¹ The combined amount of Other Adjustments to Affiliate Claims is approximately \$16 billion. Adjustments include an increase to reflect Debtors' estimate of Affiliate Claims between Debtors, as well as the set-off of Affiliate Claims against other amounts owed between affiliates.

Annex A-5: Third Party & Affiliate Claims Against Lehman Commercial Paper Inc. Sorted by Type

(\$ in millions)

Claim Type	Filed Amount per Epiq*	Debtors' Adjustments to Filed Claim Amounts	Debtors' Estimate of Claim Amounts	Other Adjustments **	Estimated Allowed Claims
Total Direct Affiliate Claims ¹	\$ 2,207	\$ 781	\$ 2,987	\$ 19,746	\$ 22,733
Third Party Claims					
Third Party Guarantees	150	(150)	-	-	-
Accounts Payable & Other	18,604	(10,892)	7,712	230	7,942
Debt	362	(362)	-	-	-
Debt - Subordinated	-	-	-	-	-
Total Debt	\$ 362	\$ (362)	\$ -	\$ -	\$ -
Derivatives	106	(65)	41	-	41
Total Third Party Claims	\$ 19,222	\$ (11,469)	\$ 7,753	\$ 230	\$ 7,983
Total General Unsecured Claims	\$ 21,428	\$ (10,688)	\$ 10,740	\$ 19,976	\$ 30,717
Priority - Non-Tax	-	-	-	-	-
Priority - Tax	37	-	37	(37)	-
Secured	-	-	-	144	144
Total Claims	\$ 21,465	\$ (10,688)	\$ 10,777	\$ 20,084	\$ 30,861

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but does not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

** Other Adjustments includes a reduction of approximately \$5 thousand related to convenience claims. This reduction is a result of the Debtor's estimate that certain claimants with estimated claims above \$50,000 will elect to participate in convenience classes and have an Allowed Claim of \$50,000.

¹ The combined amount of Other Adjustments to Affiliate Claims is approximately \$19.7 billion. Adjustments include an increase to reflect Debtors' estimate of Affiliate Claims between Debtors, as well as the set-off of Affiliate Claims against other amounts owed between affiliates.

Annex A-6: Third Party & Affiliate Claims Against Lehman Brothers Commodity Services Inc. Sorted by Type

(\$ in millions)

Claim Type	Filed Amount per Epiq*	Debtors' Adjustments to Filed Claim Amounts	Debtors' Estimate of Claim Amounts	Other Adjustments	Estimated Allowed Claims
Total Direct Affiliate Claims ¹	\$ 110	\$ (90)	\$ 21	\$ 1,515	\$ 1,535
Third Party Claims					
Third Party Guarantees	151	(151)	-	-	-
Accounts Payable & Other	3,302	(2,548)	754	(0)	754
Debt	10	(10)	-	-	-
Debt - Subordinated	-	-	-	-	-
Total Debt	\$ 10	\$ (10)	\$ -	\$ -	\$ -
Derivatives	2,052	(446)	1,606	11	1,617
Total Third Party Claims	\$ 5,515	\$ (3,155)	\$ 2,360	\$ 11	\$ 2,371
Total General Unsecured Claims	\$ 5,625	\$ (3,245)	\$ 2,381	\$ 1,526	\$ 3,907
Priority - Non-Tax	-	-	-	-	-
Priority - Tax	-	-	-	-	-
Secured	-	-	-	38	38
Total Claims	\$ 5,625	\$ (3,245)	\$ 2,381	\$ 1,564	\$ 3,944

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but does not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

¹ The combined amount of Other Adjustments to Affiliate Claims is approximately \$1.5 billion. Adjustments include an increase to reflect Debtors' estimate of Affiliate Claims between Debtors, as well as the set-off of Affiliate Claims against other amounts owed between affiliates.

Annex A-7: Third Party & Affiliate Claims Against Lehman Brothers Commercial Corporation Sorted by Type

(\$ in millions)

Claim Type	Filed Amount per Epiq*	Debtors' Adjustments to Filed Claim Amounts	Debtors' Estimate of Claim Amounts	Other Adjustments **	Estimated Allowed Claims
Total Direct Affiliate Claims ¹	\$ 3,325	\$ (2,898)	\$ 427	\$ 828	\$ 1,254
Third Party Claims					
Third Party Guarantees	151	(151)	-	-	-
Accounts Payable & Other	2,710	(2,708)	2	-	2
Debt	0	(0)	-	-	-
Debt - Subordinated	-	-	-	-	-
Total Debt	\$ 0	\$ (0)	\$ -	\$ -	\$ -
Derivatives	872	(267)	605	3	608
Total Third Party Claims	\$ 3,733	\$ (3,126)	\$ 607	\$ 3	\$ 610
Total General Unsecured Claims	\$ 7,058	\$ (6,024)	\$ 1,033	\$ 831	\$ 1,864
Priority - Non-Tax	-	-	-	-	-
Priority - Tax	-	-	-	-	-
Secured	-	-	-	5	5
Total Claims	\$ 7,058	\$ (6,024)	\$ 1,033	\$ 836	\$ 1,869

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but does not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

** Other Adjustments includes a reduction of approximately \$5 thousand related to convenience claims. This reduction is a result of the Debtor's estimate that certain claimants with estimated claims above \$50,000 will elect to participate in convenience classes and have an Allowed Claim of \$50,000.

¹ The combined amount of Other Adjustments to Affiliate Claims is approximately \$828 million. Adjustments include an increase to reflect Debtors' estimate of Affiliate Claims between Debtors, as well as the set-off of Affiliate Claims against other amounts owed between affiliates.

Annex A-8: Third Party & Affiliate Claims Against Lehman Brothers OTC Derivatives Inc. Sorted by Type

(\$ in millions)

Claim Type	Filed Amount per Epiq*	Debtors' Adjustments to Filed Claim Amounts	Debtors' Estimate of Claim Amounts	Other Adjustments **	Estimated Allowed Claims
Total Direct Affiliate Claims ¹	\$ 804	\$ (420)	\$ 385	\$ 232	\$ 616
Third Party Claims					
Third Party Guarantees	3	(3)	-	-	-
Accounts Payable & Other	2,527	(2,525)	2	(0)	2
Debt	3	(3)	-	-	-
Debt - Subordinated	-	-	-	-	-
Total Debt	\$ 3	\$ (3)	\$ -	\$ -	\$ -
Derivatives	702	(115)	587	2	589
Total Third Party Claims	\$ 3,235	\$ (2,647)	\$ 589	\$ 2	\$ 591
Total General Unsecured Claims	\$ 4,039	\$ (3,066)	\$ 973	\$ 234	\$ 1,207
Priority - Non-Tax	-	-	-	-	-
Priority - Tax	-	-	-	-	-
Secured	-	-	-	-	-
Total Claims	\$ 4,039	\$ (3,066)	\$ 973	\$ 234	\$ 1,207

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but does not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

** Other Adjustments includes a reduction of approximately \$4 thousand related to convenience claims. This reduction is a result of the Debtor's estimate that certain claimants with estimated claims above \$50,000 will elect to participate in convenience classes and have an Allowed Claim of \$50,000.

¹ The combined amount of Other Adjustments to Affiliate Claims is approximately \$232 million. Adjustments include an increase to reflect Debtors' estimate of Affiliate Claims between Debtors, as well as the set-off of Affiliate Claims against other amounts owed between affiliates.

Annex A-9: Third Party & Affiliate Claims Against Structured Asset Securities Corporation Sorted by Type

(\$ in millions)

Claim Type	Filed Amount per Epiq*	Debtors' Adjustments to Filed Claim Amounts	Debtors' Estimate of Claim Amounts	Other Adjustments	Estimated Allowed Claims
Total Direct Affiliate Claims ¹	\$ 0	\$ 0	\$ 0	\$ 588	\$ 588
Third Party Claims					
Third Party Guarantees	150	(150)	-	-	-
Accounts Payable & Other	24,010	(23,848)	162	-	162
Debt	-	-	-	-	-
Debt - Subordinated	-	-	-	-	-
Total Debt	\$ -	\$ -	\$ -	\$ -	\$ -
Derivatives	10	(10)	-	-	-
Total Third Party Claims	\$ 24,170	\$ (24,008)	\$ 162	\$ -	\$ 162
Total General Unsecured Claims	\$ 24,170	\$ (24,008)	\$ 162	\$ 588	\$ 751
Priority - Non-Tax	-	-	-	-	-
Priority - Tax	-	-	-	-	-
Secured	-	-	-	-	-
Total Claims	\$ 24,170	\$ (24,008)	\$ 162	\$ 588	\$ 751

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but does not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

¹ The combined amount of Other Adjustments to Affiliate Claims is approximately \$588 million. Adjustments include an increase to reflect Debtors' estimate of Affiliate Claims between Debtors, as well as the set-off of Affiliate Claims against other amounts owed between affiliates.

Annex A-10: Third Party & Affiliate Claims Against Merit LLC Sorted by Type

(\$ in millions)

Claim Type	Filed Amount per Epiq*	Debtors' Adjustments to Filed Claim Amounts	Debtors' Estimate of Claim Amounts	Other Adjustments	Estimated Allowed Claims
Total Direct Affiliate Claims ¹	\$ 97	\$ -	\$ 97	\$ 227	\$ 324
Third Party Claims					
Third Party Guarantees	-	-	-	-	-
Accounts Payable & Other	0	(0)	-	-	-
Debt	0	(0)	-	-	-
Debt - Subordinated	-	-	-	-	-
Total Debt	\$ 0	\$ (0)	\$ -	\$ -	\$ -
Derivatives	-	-	-	-	-
Total Third Party Claims	\$ 0	\$ (0)	\$ -	\$ -	\$ -
Total General Unsecured Claims	\$ 97	\$ (0)	\$ 97	\$ 227	\$ 324
Priority - Non-Tax	-	-	-	-	-
Priority - Tax	-	-	-	-	-
Secured	-	-	-	-	-
Total Claims	\$ 97	\$ (0)	\$ 97	\$ 227	\$ 324

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but does not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

¹ The combined amount of Other Adjustments to Affiliate Claims is approximately \$227 million. Adjustments include an increase to reflect Debtors' estimate of Affiliate Claims between Debtors, as well as the set-off of Affiliate Claims against other amounts owed between affiliates.

Annex A-11: Third Party & Affiliate Claims Against Lehman Brothers Derivative Products Inc. Sorted by Type

(\$ in millions)

Claim Type	Filed Amount per Epiq*	Debtors' Adjustments to Filed Claim Amounts	Debtors' Estimate of Claim Amounts	Other Adjustments	Estimated Allowed Claims
Total Direct Affiliate Claims ¹	\$ 0	\$ 10	\$ 10	\$ 113	\$ 123
Third Party Claims					
Third Party Guarantees	297	(297)	-	-	-
Accounts Payable & Other	2,525	(2,525)	0	-	0
Debt	-	-	-	-	-
Debt - Subordinated	-	-	-	-	-
Total Debt	\$ -	\$ -	\$ -	\$ -	\$ -
Derivatives	92	(16)	76	-	76
Total Third Party Claims	\$ 2,913	\$ (2,837)	\$ 76	\$ -	\$ 76
Total General Unsecured Claims	\$ 2,913	\$ (2,828)	\$ 86	\$ 113	\$ 199
Priority - Non-Tax	-	-	-	-	-
Priority - Tax	-	-	-	-	-
Secured	-	-	-	0	0
Total Claims	\$ 2,913	\$ (2,828)	\$ 86	\$ 113	\$ 199

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but does not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

¹ The combined amount of Other Adjustments to Affiliate Claims is approximately \$113 million. Adjustments include an increase to reflect Debtors' estimate of Affiliate Claims between Debtors, as well as the set-off of Affiliate Claims against other amounts owed between affiliates.

Annex A-12: Third Party & Affiliate Claims Against Lehman Brothers Financial Products Inc. Sorted by Type

(\$ in millions)

Claim Type	Filed Amount per Epiq*	Debtors' Adjustments to Filed Claim Amounts	Debtors' Estimate of Claim Amounts	Other Adjustments	Estimated Allowed Claims
Total Direct Affiliate Claims ¹	\$ 0	\$ 1	\$ 1	\$ 204	\$ 205
Third Party Claims					
Third Party Guarantees	3	(3)	-	-	-
Accounts Payable & Other	2,526	(2,524)	2	-	2
Debt	-	-	-	-	-
Debt - Subordinated	-	-	-	-	-
Total Debt	\$ -	\$ -	\$ -	\$ -	\$ -
Derivatives	84	(26)	58	-	58
Total Third Party Claims	\$ 2,613	\$ (2,553)	\$ 60	\$ -	\$ 60
Total General Unsecured Claims	\$ 2,613	\$ (2,552)	\$ 61	\$ 204	\$ 265
Priority - Non-Tax	-	-	-	-	-
Priority - Tax	-	-	-	-	-
Secured	-	-	-	-	-
Total Claims	\$ 2,613	\$ (2,552)	\$ 61	\$ 204	\$ 265

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but does not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

¹ The combined amount of Other Adjustments to Affiliate Claims is approximately \$204 million. Adjustments include an increase to reflect Debtors' estimate of Affiliate Claims between Debtors, as well as the set-off of Affiliate Claims against other amounts owed between affiliates.

Annex A-13: Third Party & Affiliate Claims Against CES Aviation LLC Sorted by Type

(\$ in millions)

Claim Type	Filed Amount per Epiq*	Debtors' Adjustments to Filed Claim Amounts	Debtors' Estimate of Claim Amounts	Other Adjustments	Estimated Allowed Claims
Total Direct Affiliate Claims ¹	\$ 46	\$ 0	\$ 47	\$ (24)	\$ 23
Third Party Claims					
Third Party Guarantees	205	(205)	-	-	-
Accounts Payable & Other	291	(291)	0	-	0
Debt	0	(0)	-	-	-
Debt - Subordinated	-	-	-	-	-
Total Debt	\$ 0	\$ (0)	\$ -	\$ -	\$ -
Derivatives	10	(10)	-	-	-
Total Third Party Claims	\$ 506	\$ (506)	\$ 0	\$ -	\$ 0
Total General Unsecured Claims	\$ 552	\$ (505)	\$ 47	\$ (24)	\$ 23
Priority - Non-Tax	-	-	-	-	-
Priority - Tax	-	-	-	-	-
Secured	-	-	-	-	-
Total Claims	\$ 552	\$ (505)	\$ 47	\$ (24)	\$ 23

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but does not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

¹ The combined amount of Other Adjustments to Affiliate Claims is approximately \$24 million. Adjustments include a decrease to reflect Debtors' estimate of Affiliate Claims between Debtors, as well as the set-off of Affiliate Claims against other amounts owed between affiliates.

Annex A-14: Third Party & Affiliate Claims Against BNC Mortgage LLC Sorted by Type

(\$ in millions)

<u>Claim Type</u>	<u>Filed Amount per Epiq*</u>	<u>Debtors' Adjustments to Filed Claim Amounts</u>	<u>Debtors' Estimate of Claim Amounts</u>	<u>Other Adjustments</u>	<u>Estimated Allowed Claims</u>
Total Direct Affiliate Claims	\$ 0	\$ 1	\$ 1	\$ (0)	\$ 1
Third Party Claims					
Third Party Guarantees	3	(3)	-	-	-
Accounts Payable & Other	282	(269)	13	-	13
Debt	-	-	-	-	-
Debt - Subordinated	-	-	-	-	-
Total Debt	\$ -	\$ -	\$ -	\$ -	\$ -
Derivatives	10	(10)	-	-	-
Total Third Party Claims	<u>\$ 295</u>	<u>\$ (282)</u>	<u>\$ 13</u>	<u>\$ -</u>	<u>\$ 13</u>
Total General Unsecured Claims	<u>\$ 295</u>	<u>\$ (281)</u>	<u>\$ 14</u>	<u>\$ (0)</u>	<u>\$ 14</u>
Priority - Non-Tax	-	-	-	-	-
Priority - Tax	-	-	-	-	-
Secured	-	-	-	-	-
Total Claims	<u><u>\$ 295</u></u>	<u><u>\$ (281)</u></u>	<u><u>\$ 14</u></u>	<u><u>\$ (0)</u></u>	<u><u>\$ 14</u></u>

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but does not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

Annex A-15: Third Party & Affiliate Claims Against LB 2080 Kalakaua Owners LLC Sorted by Type

(\$ in millions)

Claim Type	Filed Amount per Epiq*	Debtors' Adjustments to Filed Claim Amounts	Debtors' Estimate of Claim Amounts	Other Adjustments	Estimated Allowed Claims
Total Direct Affiliate Claims ¹	\$ -	\$ -	\$ -	\$ 31	\$ 31
Third Party Claims					
Third Party Guarantees	3	(3)	-	-	-
Accounts Payable & Other	246	(237)	9	-	9
Debt	-	-	-	-	-
Debt - Subordinated	-	-	-	-	-
Total Debt	\$ -	\$ -	\$ -	\$ -	\$ -
Derivatives	10	(10)	-	-	-
Total Third Party Claims	<u>\$ 259</u>	<u>\$ (250)</u>	<u>\$ 9</u>	<u>\$ -</u>	<u>\$ 9</u>
Total General Unsecured Claims	<u>\$ 259</u>	<u>\$ (250)</u>	<u>\$ 9</u>	<u>\$ 31</u>	<u>\$ 40</u>
Priority - Non-Tax	-	-	-	-	-
Priority - Tax	-	-	-	-	-
Secured	-	-	-	-	-
Total Claims	<u><u>\$ 259</u></u>	<u><u>\$ (250)</u></u>	<u><u>\$ 9</u></u>	<u><u>\$ 31</u></u>	<u><u>\$ 40</u></u>

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but does not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

¹ The combined amount of Other Adjustments to Affiliate Claims is approximately \$31 million. Adjustments include an increase to reflect Debtors' estimate of Affiliate Claims between Debtors, as well as the set-off of Affiliate Claims against other amounts owed between affiliates.

Annex A-16: Third Party & Affiliate Claims Against LB Rose Ranch LLC Sorted by Type

(\$ in millions)

Claim Type	Filed Amount per Epiq*	Debtors' Adjustments to Filed Claim Amounts	Debtors' Estimate of Claim Amounts	Other Adjustments	Estimated Allowed Claims
Total Direct Affiliate Claims	\$ -	\$ -	\$ -	\$ -	\$ -
Third Party Claims					
Third Party Guarantees	3	(3)	-	-	-
Accounts Payable & Other	250	(244)	6	-	6
Debt	-	-	-	-	-
Debt - Subordinated	-	-	-	-	-
Total Debt	\$ -	\$ -	\$ -	\$ -	\$ -
Derivatives	10	(10)	-	-	-
Total Third Party Claims	\$ 264	\$ (258)	\$ 6	\$ -	\$ 6
Total General Unsecured Claims	\$ 264	\$ (258)	\$ 6	\$ -	\$ 6
Priority - Non-Tax	-	-	-	-	-
Priority - Tax	-	-	-	-	-
Secured	-	-	-	-	-
Total Claims	\$ 264	\$ (258)	\$ 6	\$ -	\$ 6

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but does not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

Annex A-17: Third Party & Affiliate Claims Against LB Somerset LLC Sorted by Type

(\$ in millions)

Claim Type	Filed Amount per Epiq*	Debtors' Adjustments to Filed Claim Amounts	Debtors' Estimate of Claim Amounts	Other Adjustments	Estimated Allowed Claims
Total Direct Affiliate Claims ¹	\$ -	\$ -	\$ -	\$ 7	\$ 7
Third Party Claims					
Third Party Guarantees	-	-	-	-	-
Accounts Payable & Other	0	-	0	-	0
Debt	0	(0)	-	-	-
Debt - Subordinated	-	-	-	-	-
Total Debt	\$ 0	\$ (0)	\$ -	\$ -	\$ -
Derivatives	-	-	-	-	-
Total Third Party Claims	\$ 0	\$ (0)	\$ 0	\$ -	\$ 0
Total General Unsecured Claims	\$ 0	\$ (0)	\$ 0	\$ 7	\$ 8
Priority - Non-Tax	-	-	-	-	-
Priority - Tax	-	-	-	-	-
Secured	-	-	-	-	-
Total Claims	\$ 0	\$ (0)	\$ 0	\$ 7	\$ 8

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but does not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

¹ The combined amount of Other Adjustments to Affiliate Claims is approximately \$7 million. Adjustments include an increase to reflect Debtors' estimate of Affiliate Claims between Debtors, as well as the set-off of Affiliate Claims against other amounts owed between affiliates.

Annex A-18: Third Party & Affiliate Claims Against East Dover Limited Sorted by Type

(\$ in millions)

Claim Type	Filed Amount per Epiq*	Debtors' Adjustments to Filed Claim Amounts	Debtors' Estimate of Claim Amounts	Other Adjustments	Estimated Allowed Claims
Total Direct Affiliate Claims ¹	\$ -	\$ -	\$ -	\$ 3	\$ 3
Third Party Claims					
Third Party Guarantees	3	(3)	-	-	-
Accounts Payable & Other	287	(287)	0	-	0
Debt	-	-	-	-	-
Debt - Subordinated	-	-	-	-	-
Total Debt	\$ -	\$ -	\$ -	\$ -	\$ -
Derivatives	14	(14)	-	-	-
Total Third Party Claims	\$ 305	\$ (305)	\$ 0	\$ -	\$ 0
Total General Unsecured Claims	\$ 305	\$ (305)	\$ 0	\$ 3	\$ 3
Priority - Non-Tax	-	-	-	-	-
Priority - Tax	-	-	-	-	-
Secured	-	-	-	-	-
Total Claims	\$ 305	\$ (305)	\$ 0	\$ 3	\$ 3

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but does not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

¹ The combined amount of Other Adjustments to Affiliate Claims is approximately \$3 million. Adjustments include an increase to reflect Debtors' estimate of Affiliate Claims between Debtors, as well as the set-off of Affiliate Claims against other amounts owed between affiliates.

Annex A-19: Third Party & Affiliate Claims Against LB 745 LLC Sorted by Type

(\$ in millions)

Claim Type	Filed Amount per Epiq*	Debtors' Adjustments to Filed Claim Amounts	Debtors' Estimate of Claim Amounts	Other Adjustments	Estimated Allowed Claims
Total Direct Affiliate Claims ¹	\$ -	\$ -	\$ -	\$ 46	\$ 46
Third Party Claims					
Third Party Guarantees	150	(150)	-	-	-
Accounts Payable & Other	297	(295)	2	-	2
Debt	-	-	-	-	-
Debt - Subordinated	-	-	-	-	-
Total Debt	\$ -	\$ -	\$ -	\$ -	\$ -
Derivatives	-	-	-	-	-
Total Third Party Claims	\$ 447	\$ (445)	\$ 2	\$ -	\$ 2
Total General Unsecured Claims	\$ 447	\$ (445)	\$ 2	\$ 46	\$ 48
Priority - Non-Tax	-	-	-	-	-
Priority - Tax	-	-	-	-	-
Secured	-	-	-	-	-
Total Claims	\$ 447	\$ (445)	\$ 2	\$ 46	\$ 48

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but does not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

¹ The combined amount of Other Adjustments to Affiliate Claims is approximately \$46 million. Adjustments include an increase to reflect Debtors' estimate of Affiliate Claims between Debtors, as well as the set-off of Affiliate Claims against other amounts owed between affiliates.

Annex A-20: Third Party & Affiliate Claims Against CES Aviation V LLC Sorted by Type

(\$ in millions)

Claim Type	Filed Amount per Epiq*	Debtors' Adjustments to Filed Claim Amounts	Debtors' Estimate of Claim Amounts	Other Adjustments	Estimated Allowed Claims
Total Direct Affiliate Claims ¹	\$ -	\$ 0	\$ 0	\$ 8	\$ 8
Third Party Claims					
Third Party Guarantees	150	(150)	-	-	-
Accounts Payable & Other	280	(280)	0	-	0
Debt	-	-	-	-	-
Debt - Subordinated	-	-	-	-	-
Total Debt	\$ -	\$ -	\$ -	\$ -	\$ -
Derivatives	10	(10)	-	-	-
Total Third Party Claims	\$ 440	\$ (440)	\$ 0	\$ -	\$ 0
Total General Unsecured Claims	\$ 440	\$ (440)	\$ 1	\$ 8	\$ 8
Priority - Non-Tax	-	-	-	-	-
Priority - Tax	-	-	-	-	-
Secured	-	-	-	-	-
Total Claims	\$ 440	\$ (440)	\$ 1	\$ 8	\$ 8

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but does not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

¹ The combined amount of Other Adjustments to Affiliate Claims is approximately \$8 million. Adjustments include an increase to reflect Debtors' estimate of Affiliate Claims between Debtors, as well as the set-off of Affiliate Claims against other amounts owed between affiliates.

Annex A-21: Third Party & Affiliate Claims Against PAMI Statler Arms LLC Sorted by Type

(\$ in millions)

Claim Type	Filed Amount per Epiq*	Debtors' Adjustments to Filed Claim Amounts	Debtors' Estimate of Claim Amounts	Other Adjustments	Estimated Allowed Claims
Total Direct Affiliate Claims	\$ 9	\$ (9)	\$ -	\$ 0	\$ 0
Third Party Claims					
Third Party Guarantees	3	(3)	-	-	-
Accounts Payable & Other	276	(276)	0	-	0
Debt	-	-	-	-	-
Debt - Subordinated	-	-	-	-	-
Total Debt	\$ -	\$ -	\$ -	\$ -	\$ -
Derivatives	10	(10)	-	-	-
Total Third Party Claims	\$ 289	\$ (289)	\$ 0	\$ -	\$ 0
Total General Unsecured Claims	\$ 298	\$ (298)	\$ 0	\$ 0	\$ 0
Priority - Non-Tax	-	-	-	-	-
Priority - Tax	109	-	109	(109)	-
Secured	-	-	-	-	-
Total Claims	\$ 407	\$ (298)	\$ 109	\$ (109)	\$ 0

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but does not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

Annex A-22: Third Party & Affiliate Claims Against CES Aviation IX LLC Sorted by Type

(\$ in millions)

<u>Claim Type</u>	<u>Filed Amount per Epiq*</u>	<u>Debtors' Adjustments to Filed Claim Amounts</u>	<u>Debtors' Estimate of Claim Amounts</u>	<u>Other Adjustments</u>	<u>Estimated Allowed Claims</u>
Total Direct Affiliate Claims ¹	\$ -	\$ 0	\$ 0	\$ 9	\$ 9
Third Party Claims					
Third Party Guarantees	150	(150)	-	-	-
Accounts Payable & Other	280	(280)	0	-	0
Debt	-	-	-	-	-
Debt - Subordinated	-	-	-	-	-
Total Debt	\$ -	\$ -	\$ -	\$ -	\$ -
Derivatives	10	(10)	-	-	-
Total Third Party Claims	<u>\$ 440</u>	<u>\$ (440)</u>	<u>\$ 0</u>	<u>\$ -</u>	<u>\$ 0</u>
Total General Unsecured Claims	<u>\$ 440</u>	<u>\$ (440)</u>	<u>\$ 0</u>	<u>\$ 9</u>	<u>\$ 9</u>
Priority - Non-Tax	-	-	-	-	-
Priority - Tax	-	-	-	-	-
Secured	-	-	-	-	-
Total Claims	<u><u>\$ 440</u></u>	<u><u>\$ (440)</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 9</u></u>	<u><u>\$ 9</u></u>

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but does not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

¹ The combined amount of Other Adjustments to Affiliate Claims is approximately \$9 million. Adjustments include an increase to reflect Debtors' estimate of Affiliate Claims between Debtors, as well as the set-off of Affiliate Claims against other amounts owed between affiliates.

Annex A-23: Third Party & Affiliate Claims Against Lehman Scottish Finance L.P. Sorted by Type

(\$ in millions)

<u>Claim Type</u>	<u>Filed Amount per Epiq*</u>	<u>Debtors' Adjustments to Filed Claim Amounts</u>	<u>Debtors' Estimate of Claim Amounts</u>	<u>Other Adjustments</u>	<u>Estimated Allowed Claims</u>
Total Direct Affiliate Claims	\$ -	\$ -	\$ -	\$ -	\$ -
Third Party Claims					
Third Party Guarantees	150	(150)	-	-	-
Accounts Payable & Other	280	(280)	-	-	-
Debt	-	-	-	-	-
Debt - Subordinated	-	-	-	-	-
Total Debt	\$ -	\$ -	\$ -	\$ -	\$ -
Derivatives	10	(10)	-	-	-
Total Third Party Claims	<u>\$ 440</u>	<u>\$ (440)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total General Unsecured Claims	<u>\$ 440</u>	<u>\$ (440)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Priority - Non-Tax	-	-	-	-	-
Priority - Tax	-	-	-	-	-
Secured	-	-	-	2	2
Total Claims	<u><u>\$ 440</u></u>	<u><u>\$ (440)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 2</u></u>	<u><u>\$ 2</u></u>

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but does not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

Annex A-24: Third Party & Affiliate Claims Against Luxembourg Residential Properties Loan Finance S.a.r.l. Sorted by Type

(\$ in millions)

<u>Claim Type</u>	<u>Filed Amount per Epiq*</u>	<u>Debtors' Adjustments to Filed Claim Amounts</u>	<u>Debtors' Estimate of Claim Amounts</u>	<u>Other Adjustments</u>	<u>Estimated Allowed Claims</u>
Total Direct Affiliate Claims ¹	\$ -	\$ -	\$ -	\$ 593	\$ 593
Third Party Claims					
Third Party Guarantees	3	(3)	-	-	-
Accounts Payable & Other	232	(232)	-	-	-
Debt	-	-	-	-	-
Debt - Subordinated	-	-	-	-	-
Total Debt	\$ -	\$ -	\$ -	\$ -	\$ -
Derivatives	10	(10)	-	-	-
Total Third Party Claims	<u>\$ 245</u>	<u>\$ (245)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total General Unsecured Claims	<u>\$ 245</u>	<u>\$ (245)</u>	<u>\$ -</u>	<u>\$ 593</u>	<u>\$ 593</u>
Priority - Non-Tax	-	-	-	-	-
Priority - Tax	-	-	-	-	-
Secured	-	-	-	-	-
Total Claims	<u><u>\$ 245</u></u>	<u><u>\$ (245)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 593</u></u>	<u><u>\$ 593</u></u>

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but does not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

¹ The combined amount of Other Adjustments to Affiliate Claims is approximately \$593 million. Adjustments include an increase to reflect Debtors' estimate of Affiliate Claims between Debtors, as well as the set-off of Affiliate Claims against other amounts owed between affiliates.

Annex A-25: Third Party & Affiliate Claims Against LB Preferred Somerset LLC Sorted by Type

(\$ in millions)

Claim Type	Filed Amount per Epiq*	Debtors' Adjustments to Filed Claim Amounts	Debtors' Estimate of Claim Amounts	Other Adjustments	Estimated Allowed Claims
Total Direct Affiliate Claims ¹	\$ -	\$ -	\$ -	\$ 10	\$ 10
Third Party Claims					
Third Party Guarantees	-	-	-	-	-
Accounts Payable & Other	0	-	0	-	0
Debt	0	(0)	-	-	-
Debt - Subordinated	-	-	-	-	-
Total Debt	\$ 0	\$ (0)	\$ -	\$ -	\$ -
Derivatives	-	-	-	-	-
Total Third Party Claims	\$ 0	\$ (0)	\$ 0	\$ -	\$ 0
Total General Unsecured Claims	\$ 0	\$ (0)	\$ 0	\$ 10	\$ 10
Priority - Non-Tax	-	-	-	-	-
Priority - Tax	-	-	-	-	-
Secured	-	-	-	-	-
Total Claims	\$ 0	\$ (0)	\$ 0	\$ 10	\$ 10

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but does not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

¹ The combined amount of Other Adjustments to Affiliate Claims is approximately \$10 million. Adjustments include an increase to reflect Debtors' estimate of Affiliate Claims between Debtors, as well as the set-off of Affiliate Claims against other amounts owed between affiliates.

Annex B-1: Third-Party Guarantee Claims against LBHI, sorted by Primary Obligor

(\$ millions)

Debtor Controlled Affiliate	Filed Amount Per Epiq*	Debtors' Adjustments to Filed Claim Amounts		Derivative	Non-Derivative	Debtors' Estimate of Claim Amounts	Other Adjustments	Estimated Allowed Claims
LBSF	\$ 48,153	\$ (22,875)		\$ 25,271	\$ 7	\$ 25,278	\$ (2,505)	\$ 22,773
LBCS	2,036	269		1,525	780	2,305	11	2,316
LCPI	1,757	(662)		-	1,095	1,095	-	1,095
LBCC	557	(224)		333	1	333	3	336
LOTC	468	(114)		353	-	353	2	355
LBDP	0	(0)		0	-	0	-	0
All Other Debtor Controlled Affiliates	4,031	(3,099)		8	924	932	(2)	930
Total Debtor Controlled	\$ 57,001	\$ (26,705)		\$ 27,490	\$ 2,806	\$ 30,296	\$ (2,491)	\$ 27,805
Non-Debtor Controlled Affiliate								
LB Treasury	\$ 31,369	\$ (665)		\$ -	\$ 30,704	\$ 30,704	\$ (29) **	\$ 30,675
LBIE	32,479	(17,780)		13,226	1,473	14,699	-	14,699
Bankhaus	39,979	(27,139)		135	12,705	12,840	-	12,840
LBF S.A.	2,930	(510)		2,384	35	2,419	-	2,419
LEHMAN BROTHERS SECURITIES CO. NV	934	31		-	965	965	(1) **	964
LBHJ	1,461	(96)		-	1,365	1,365	-	1,365
Sunrise Finance	831	0		-	831	831	-	831
LBI	4,322	(3,515)		74	732	806	-	806
LBL	4,477	(3,812)		-	664	664	-	664
LBCCA	624	(121)		480	23	503	-	503
LBJ	1,049	(683)		288	78	366	-	366
LB (Lux)	266	(131)		-	136	136	-	136
GKI Development	113	-		-	113	113	-	113
All Other Non-Debtor Controlled Affiliates	2,437	(1,983)		33	422	454	-	454
Total Non-Debtor Controlled	\$ 123,271	\$ (56,405)		\$ 16,620	\$ 50,245	\$ 66,866	\$ (30)	\$ 66,835
Total	\$ 180,272	\$ (83,110)		\$ 44,110	\$ 53,052	\$ 97,162	\$ (2,521)	\$ 94,640

* The Filed Claim Amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but do not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

** Reductions to LBT & LBSN claims are the result of individual claimants opting into the Convenience Class, thereby reducing their allowed claim to the cap amount of \$50,000.

Annex B-2: Affiliate Guarantee Claims Filed Against LBHI

(\$ in millions)

Affiliate	Filed Amount per Epiq*	Debtors' Adjustments to Filed	Debtors' Estimate of Claim
		Claim Amounts	Amounts
Debtor Controlled			
Lehman Brothers Special Financing Inc.	\$ -	\$ 1,206	\$ 1,206
Lehman Brothers Commodity Services	-	798	798
Lehman Brothers Commercial Corporation	-	664	664
Lehman Commercial Paper Inc.	-	482	482
Lehman Brothers OTC Derivatives Inc.	-	0	0
Miscellaneous Affiliates	-	2,600	2,600
Total Debtor Controlled	\$ -	\$ 5,751	\$ 5,751
Non-Debtor Controlled			
Lehman Brothers Finance S.A.	58,273	(43,863)	14,410
Lehman Brothers International (Europe)	137	10,689	10,826
Lehman Brothers Bankhaus A.G.	4,500	7,103	11,602
Lehman Brothers Asia Holdings Ltd.	4,744	(105)	4,639
LB Holdings Intermediate 2 Limited	-	2,309	2,309
Lehman Brothers UK Holdings Ltd.	0	1,938	1,938
Lehman Brothers Ltd.	-	1,802	1,802
Lehman Brother Japan Inc.	22,794	(21,424)	1,369
Lehman RE	-	839	839
LB Securities Asia Ltd.	1,741	(1,116)	625
Lehman Brothers Asia Ltd.	775	(364)	410
Lehman Brothers Holdings Japan Inc.	314	(3)	311
Lehman Brothers Securities N.V.	283	-	283
Lehman Brothers Inc.	-	216	216
Lehman Brothers Finance (Japan) Inc.	289	(123)	166
Lehman Brothers Futures Asia Limited	140	(0)	140
Storm Funding Limited	0	134	134
Mable Commercial Funding Ltd.	-	118	118
Lehman Brothers Australia & Affiliates	84	33	117
Lehman Brothers (Luxembourg) Equity Finance S.A.	103	(2)	101
Lehman Brothers Commercial Corp Asia Ltd.	1,599	(1,500)	100
Miscellaneous Affiliates (Non-Debtor)	35,662	(34,854)	808
Total Non-Debtor Controlled	\$ 131,438	\$ (78,173)	\$ 53,265
Total Affiliate Guarantees	\$ 131,438	\$ (72,422)	\$ 59,015

* The Filed Claim amounts were provided to the Debtors by Epiq, the Debtors' court-appointed claims agent, as of May 13, 2011. The Filed Claim amounts reported by Epiq reflect court-approved objections, reductions and settlements, but do not include a valuation for unliquidated claims. The Debtors' estimates for unliquidated claims are included in the Debtors' Adjustments to Filed Claim Amounts column.

Exhibit 7

Cash Flow Estimates Through 2014

The Debtors estimate that an orderly liquidation of the remaining assets of the Debtors' estates would take at least until the end of 2014 to complete. This time frame recognizes both the collection and disposition of the Debtors' assets, the resolution of various Debtor-creditor, intra-Debtor and affiliate issues, and the analysis and settlement of approximately 48,000 Filed Claims. The Debtors have prepared cash flow estimates for each year from 2011 to 2014. The estimated receipts and disbursements are based on assumptions which are set forth below and are based on the liquidation of the remaining assets.

It should be noted that these cases are large, complex and replete with issues that may result in litigation expenses for an extended period of time. Many of the assumptions are subject to significant uncertainties and the Debtors make no representation regarding either the accuracy of the cash flow estimate or the ability of the management to achieve these results. **Therefore, actual results may vary from the cash flow estimates and the variations may be material.**

1. LAMCO

The Debtors have established LAMCO, a non-debtor subsidiary of LBHI. LAMCO is responsible for the collection and management of the Debtors' assets and assists in the Claims settlement process. The amounts set forth in the cash flow estimates take into account the establishment and implementation of LAMCO.

2. Overview of the Ongoing Cash Flow of the Estates

The cash flow estimates set forth the expected Cash that each Debtor would collect following the disposition of its assets. While the assets under management are identifiable to specific legal entities (both Debtors and Debtor-Controlled Entities), the personnel managing the assets are generally employees of only one or two specific entities. The expenses of the employees are allocated directly to the Debtor(s) and non-Debtors receiving the benefit from the expertise of such employees.

3. Receipts

Each Debtor has developed a projected timetable for the orderly liquidation of the assets under its control. Expected recoveries from the disposition of assets are based on the undiscounted cash flows that the assets will generate during the period, including an estimate for the planned sale of certain assets and an amount that reflects an estimate of opportunistic sales that may also take place. It is expected that for various asset classes, additional investments will be necessary to preserve the value of the assets for the estates (e.g. fund capital calls on PE fund investments and real estate taxes on property owned). These investments both maintain, and enhance value, and are shown

as non-operating disbursements; the value created by additional investments is assumed to be part of the future collections. In addition, not all assets are assumed to be sold immediately following the Effective Date; certain assets are valued at estimated realizable value in an orderly sale process at the end of 2014.

Receipts (and disbursements) related to the operations of Aurora Bank and Woodlands Bank are not included in the cash flow estimates. Aurora Bank and Woodlands Bank are assumed to operate independently but estimates of their realizable value are included in the cash flow estimates.

The cash flow estimates for each Debtor do not include activity between Affiliates. The collection of receipts from Debtor and Debtor-Controlled Entity accounts will increase the amount of cash available for distribution from a Debtor.

4. Disbursements

Costs of operations include expenses for expected personnel and infrastructure requirements to support the workforce. The investments necessary to preserve the Debtors' equity in various assets have been estimated and are shown as non-operating disbursements. Based on the value to the Debtors of continuing to hedge the portfolios of various assets, a certain Cash reserve will be necessary which will impact the timing of Distributions. As mentioned above, disbursements from the operations of Aurora Bank and Woodlands Bank are not included in the cash flow estimates.

5. Certain Contingent Obligations

JP Morgan has asserted a security interest in certain securities issued by Securitization Issuers (refer to the table in section IV.H.1.a of the Disclosure Statement). The obligations purportedly secured consist of contingent liabilities of LCPI primarily arising from letters of credit ("LCs") issued pursuant to credit facilities for which LCPI was a lender and JP Morgan, or one of its affiliates, was either the issuer or administrative of the LCs. LCPI's current maximum exposure arising from these LCs is \$661 million. The Debtors believe LCPI's ultimate exposure, if any, will be minimal. JPMorgan may also assert that its security interest on the aforementioned securities secures certain obligations of LBI. The Debtors do not believe such a lien could be successfully enforced.

6. Cash Activity in 2010

Please see the Monthly Operating Reports filed with the Bankruptcy Court for details of cash activity during 2010. Amounts in this Disclosure Statement may differ from previously filed Schedules of Cash Receipts and Disbursements due primarily to inclusion in those reports of certain non-inventory items such as operating expenses, interest income and dividend distributions as well as the receipt and disbursement of funds for which the Estate merely acts as an Agent.

Lehman Brothers Holdings Inc.
Cash Flow Summary - 2011 - 2014
(\$ in Millions)

					Forecast
	2011	2012	2013	2014	Total
Gross Receipts					
Real Estate	\$ 1,138.4	\$ 1,512.1	\$ 415.7	\$ 1,371.1	\$ 4,437.3
Loans	210.3	179.8	100.1	105.3	595.5
Private Equity/Principal Invest.	712.4	231.8	574.1	97.7	1,616.0
Derivatives	-	-	-	-	-
Other	-	1,800.0	543.6	142.4	2,486.1
Receipts, Subtotal	2,061.1	3,723.7	1,633.5	1,716.6	9,134.9
Non-Operating Disbursements					
Real Estate	(47.6)	(27.7)	(4.1)	(5.3)	(84.7)
Loans	-	-	-	-	-
Private Equity/Principal Invest.	(2.1)	(1.4)	-	-	(3.5)
Derivatives	-	-	-	-	-
Non-Operating Disbursements, Subtotal	(49.7)	(29.1)	(4.1)	(5.3)	(88.2)
Adjusted Receipts, Total	2,011.4	3,694.5	1,629.4	1,711.3	9,046.7
Operating Disbursements					
Professional Fees - Bankruptcy, Legal and Litigation	(117.6)	(83.0)	(65.7)	(54.0)	(320.4)
Compensation & Benefits (1)	(61.4)	(48.1)	(46.6)	(43.9)	(200.0)
Outsourced Services & IT	(16.4)	(12.3)	(10.7)	(9.7)	(49.1)
Other Operating Disbursements	(17.3)	(12.5)	(18.5)	(23.4)	(71.7)
Operating Disbursements, Total	(212.7)	(155.9)	(141.6)	(130.9)	(641.2)
Cash From Operations	\$ 1,798.7	\$ 3,538.6	\$ 1,487.7	\$ 1,580.3	\$ 8,405.5

(1) Expenses are on a cash basis - bonuses are paid in the year subsequent to being earned.

Lehman Brothers Special Financing Inc.

Cash Flow Summary - 2011 - 2014

(\$ in Millions)

					Forecast
	2011	2012	2013	2014	Total
Gross Receipts					
Real Estate	\$ -	\$ -	\$ -	\$ -	\$ -
Loans	0.0	0.9	0.4	0.0	1.3
Private Equity/Principal Invest.	-	-	-	-	-
Derivatives	1,884.5	1,263.1	566.4	318.8	4,032.7
Other	-	-	-	15.7	15.7
Receipts, Subtotal	1,884.5	1,264.0	566.8	334.5	4,049.7
Non-Operating Disbursements					
Real Estate	-	-	-	-	-
Loans	-	-	-	-	-
Private Equity/Principal Invest.	-	-	-	-	-
Derivatives	-	-	-	-	-
Non-Operating Disbursements, Subtotal	-	-	-	-	-
Adjusted Receipts, Total	1,884.5	1,264.0	566.8	334.5	4,049.7
Operating Disbursements					
Professional Fees - Bankruptcy, Legal and Litigation	(77.5)	(48.8)	(27.2)	(14.7)	(168.2)
Compensation & Benefits (1)	(103.3)	(62.0)	(41.2)	(27.5)	(234.0)
Outsourced Services & IT	(30.2)	(16.3)	(13.7)	(9.9)	(70.0)
Other Operating Disbursements	(9.4)	(5.6)	(4.1)	(8.2)	(27.3)
Debtors Cost Allocation	20.9	132.7	86.2	60.3	300.0
Operating Disbursements, Total	(199.5)	-	-	-	(199.5)
Cash From Operations	\$ 1,684.9	\$ 1,264.0	\$ 566.8	\$ 334.5	\$ 3,850.2

(1) Expenses are on a cash basis - bonuses are paid in the year subsequent to being earned.

(2) In accordance with Debtor Allocation Agreement; see Section 6.3 of the Plan.

Lehman Brothers Commodity Services Inc.
Cash Flow Summary - 2011 - 2014
(\$ in Millions)

	2011	2012	2013	2014	Forecast Total
Gross Receipts					
Real Estate	\$ -	\$ -	\$ -	\$ -	\$ -
Loans	-	-	-	-	-
Private Equity/Principal Invest.	-	-	-	-	-
Derivatives	326.0	-	-	-	326.0
Other	-	-	10.4	-	10.4
Receipts, Subtotal	326.0	-	10.4	-	336.3
Non-Operating Disbursements					
Real Estate	-	-	-	-	-
Loans	-	-	-	-	-
Private Equity/Principal Invest.	-	-	-	-	-
Derivatives	-	-	-	-	-
Non-Operating Disbursements, Subtotal	-	-	-	-	-
Adjusted Receipts, Total	326.0	-	10.4	-	336.3
Operating Disbursements					
Professional Fees - Bankruptcy, Legal and Litigation	(2.6)	(0.4)	(0.0)	(0.0)	(3.1)
Compensation & Benefits (1)	(2.7)	(0.0)	-	-	(2.7)
Outsourced Services & IT	(1.0)	(0.0)	-	-	(1.0)
Other Operating Disbursements	(0.3)	(0.0)	-	-	(0.3)
Operating Disbursements, Total	(6.6)	(0.4)	(0.0)	(0.0)	(7.0)
Cash From Operations	\$ 319.4	\$ (0.4)	\$ 10.3	\$ (0.0)	\$ 329.3

(1) Expenses are on a cash basis - bonuses are paid in the year subsequent to being earned.

Lehman Brothers Commercial Corporation Inc.
Cash Flow Summary - 2011 - 2014
(\$ in Millions)

	2011	2012	2013	2014	Forecast Total
Gross Receipts					
Real Estate	\$ -	\$ -	\$ -	\$ -	\$ -
Loans	-	-	-	-	-
Private Equity/Principal Invest.	-	-	-	-	-
Derivatives	170.8	3.8	-	-	174.6
Other	-	-	-	-	-
Receipts, Subtotal	170.8	3.8	-	-	174.6
Non-Operating Disbursements					
Real Estate	-	-	-	-	-
Loans	-	-	-	-	-
Private Equity/Principal Invest.	-	-	-	-	-
Derivatives	-	-	-	-	-
Non-Operating Disbursements, Subtotal	-	-	-	-	-
Adjusted Receipts, Total	170.8	3.8	-	-	174.6
Operating Disbursements					
Professional Fees - Bankruptcy, Legal and Litigation	(4.2)	(2.6)	(1.8)	(1.2)	(9.8)
Compensation & Benefits (1)	(4.5)	(3.0)	(2.6)	(2.2)	(12.4)
Outsourced Services & IT	(1.6)	(0.8)	(0.9)	(0.8)	(4.1)
Other Operating Disbursements	(0.5)	(0.3)	5.4	4.2	8.8
Operating Disbursements, Total	(10.8)	(6.7)	0.0	(0.0)	(17.5)
Cash From Operations	\$ 160.0	\$ (2.9)	\$ 0.0	\$ (0.0)	\$ 157.1

(1) Expenses are on a cash basis - bonuses are paid in the year subsequent to being earned.

Lehman Brothers OTC Derivatives Inc.
Cash Flow Summary - 2011 - 2014
(\$ in Millions)

	2011	2012	2013	2014	Forecast Total
Gross Receipts					
Real Estate	\$ -	\$ -	\$ -	\$ -	\$ -
Loans	-	-	-	-	-
Private Equity/Principal Invest.	-	-	-	-	-
Derivatives	63.2	100.0	-	-	163.2
Other	-	-	-	-	-
Receipts, Subtotal	63.2	100.0	-	-	163.2
Non-Operating Disbursements					
Real Estate	-	-	-	-	-
Loans	-	-	-	-	-
Private Equity/Principal Invest.	-	-	-	-	-
Derivatives	-	-	-	-	-
Non-Operating Disbursements, Subtotal	-	-	-	-	-
Adjusted Receipts, Total	63.2	100.0	-	-	163.2
Operating Disbursements					
Professional Fees - Bankruptcy, Legal and Litigation	(3.8)	(1.9)	0.0	0.0	(5.6)
Compensation & Benefits (1)	(4.1)	(2.2)	-	-	(6.3)
Outsourced Services & IT	(1.5)	(0.6)	-	-	(2.0)
Other Operating Disbursements	(0.4)	(0.2)	-	-	(0.6)
Operating Disbursements, Total	(9.8)	(4.9)	0.0	0.0	(14.6)
Cash From Operations	\$ 53.4	\$ 95.1	\$ 0.0	\$ 0.0	\$ 148.7

(1) Expenses are on a cash basis - bonuses are paid in the year subsequent to being earned.

Lehman Brothers Financial Products Inc.
Cash Flow Summary - 2011 - 2014
(\$ in Millions)

	2011	2012	2013	2014	Forecast Total
Gross Receipts					
Real Estate	\$ -	\$ -	\$ -	\$ -	\$ -
Loans	-	-	-	-	-
Private Equity/Principal Invest.	-	-	-	-	-
Derivatives	58.4	8.8	-	-	67.2
Other	-	-	-	-	-
Receipts, Subtotal	58.4	8.8	-	-	67.2
Non-Operating Disbursements					
Real Estate	-	-	-	-	-
Loans	-	-	-	-	-
Private Equity/Principal Invest.	-	-	-	-	-
Derivatives	-	-	-	-	-
Non-Operating Disbursements, Subtotal	-	-	-	-	-
Adjusted Receipts, Total	58.4	8.8	-	-	67.2
Operating Disbursements					
Professional Fees - Bankruptcy, Legal and Litigation	(0.6)	(0.3)	0.3	0.0	(0.5)
Compensation & Benefits (1)	(0.7)	(0.3)	(0.2)	-	(1.1)
Outsourced Services & IT	(0.2)	(0.1)	(0.1)	-	(0.4)
Other Operating Disbursements	(0.1)	(0.0)	(0.0)	-	(0.1)
Operating Disbursements, Total	(1.6)	(0.6)	0.0	0.0	(2.2)
Cash From Operations	\$ 56.8	\$ 8.2	\$ 0.0	\$ 0.0	\$ 65.1

(1) Expenses are on a cash basis - bonuses are paid in the year subsequent to being earned.

Lehman Brothers Derivative Products Inc.
Cash Flow Summary - 2011 - 2014
(\$ in Millions)

	2011	2012	2013	2014	Forecast Total
Gross Receipts					
Real Estate	\$ -	\$ -	\$ -	\$ -	\$ -
Loans	-	-	-	-	-
Private Equity/Principal Invest.	-	-	-	-	-
Derivatives	10.4	-	-	-	10.4
Other	-	-	-	-	-
Receipts, Subtotal	10.4	-	-	-	10.4
Non-Operating Disbursements					
Real Estate	-	-	-	-	-
Loans	-	-	-	-	-
Private Equity/Principal Invest.	-	-	-	-	-
Derivatives	-	-	-	-	-
Non-Operating Disbursements, Subtotal	-	-	-	-	-
Adjusted Receipts, Total	10.4	-	-	-	10.4
Operating Disbursements					
Professional Fees - Bankruptcy, Legal and Litigation	(0.1)	(0.0)	0.0	0.0	(0.1)
Compensation & Benefits (1)	(0.1)	-	-	-	(0.1)
Outsourced Services & IT	(0.1)	-	-	-	(0.1)
Other Operating Disbursements	(0.0)	-	-	-	(0.0)
Operating Disbursements, Total	(0.4)	(0.0)	0.0	0.0	(0.3)
Cash From Operations	\$ 10.1	\$ (0.0)	\$ 0.0	\$ 0.0	\$ 10.1

(1) Expenses are on a cash basis - bonuses are paid in the year subsequent to being earned.

Lehman Commercial Paper Inc.
Cash Flow Summary - 2011 - 2014
(\$ in Millions)

	2011	2012	2013	2014	Forecast Total
Gross Receipts					
Real Estate	\$ 950.3	\$ 2,037.3	\$ 1,100.1	\$ 1,540.0	\$ 5,627.6
Loans	1,466.5	612.7	1,065.6	968.9	4,113.7
Private Equity/Principal Invest.	46.1	127.7	366.2	123.7	663.7
Derivatives	49.4	-	-	-	49.4
Other	-	-	-	124.3	124.3
Receipts, Subtotal	2,512.3	2,777.6	2,531.9	2,756.9	10,578.7
Non-Operating Disbursements					
Real Estate	(225.2)	(55.9)	(11.9)	(0.7)	(293.7)
Loans	(21.2)	-	-	-	(21.2)
Private Equity/Principal Invest.	(0.6)	-	-	-	(0.6)
Derivatives	-	-	-	-	-
Non-Operating Disbursements, Subtotal	(247.0)	(55.9)	(11.9)	(0.7)	(315.4)
Adjusted Receipts, Total	2,265.3	2,721.7	2,520.0	2,756.2	10,263.2
Operating Disbursements					
Professional Fees - Bankruptcy, Legal and Litigation	(142.4)	(87.4)	(53.4)	(37.8)	(320.9)
Compensation & Benefits (1)	(79.1)	(61.8)	(54.5)	(46.0)	(241.4)
Outsourced Services & IT	(21.2)	(15.4)	(12.7)	(10.6)	(60.0)
Other Operating Disbursements	(13.2)	(10.7)	(9.8)	(12.1)	(45.7)
Operating Disbursements, Total	(255.8)	(175.2)	(130.4)	(106.5)	(667.9)
Cash From Operations	\$ 2,009.5	\$ 2,546.5	\$ 2,389.6	\$ 2,649.7	\$ 9,595.3

(1) Expenses are on a cash basis - bonuses are paid in the year subsequent to being earned.

Lux Residential Properties Loan Finance S.a.r.l
Cash Flow Summary - 2011 - 2014
(\$ in Millions)

	2011	2012	2013	2014	Forecast Total
Gross Receipts					
Real Estate	\$ -	\$ 131.3	\$ 274.2	\$ -	\$ 405.5
Loans	-	-	-	-	-
Private Equity/Principal Invest.	-	-	-	-	-
Derivatives	-	-	-	-	-
Other	-	-	-	-	-
Receipts, Subtotal	-	131.3	274.2	-	405.5
Non-Operating Disbursements					
Real Estate	-	-	-	-	-
Loans	-	-	-	-	-
Private Equity/Principal Invest.	-	-	-	-	-
Derivatives	-	-	-	-	-
Non-Operating Disbursements, Subtotal	-	-	-	-	-
Adjusted Receipts, Total	-	131.3	274.2	-	405.5
Operating Disbursements					
Professional Fees - Bankruptcy, Legal and Litigation	(6.7)	(5.4)	(4.6)	5.9	(10.7)
Compensation & Benefits (1)	(3.1)	(3.2)	(3.9)	(3.9)	(14.1)
Outsourced Services & IT	(1.0)	(0.9)	(1.0)	(0.9)	(3.8)
Other Operating Disbursements	(0.5)	(0.5)	(0.7)	(1.0)	(2.7)
Operating Disbursements, Total	(11.4)	(10.0)	(10.1)	0.0	(31.5)
Cash From Operations	\$ (11.4)	\$ 121.3	\$ 264.1	\$ 0.0	\$ 374.0

(1) Expenses are on a cash basis - bonuses are paid in the year subsequent to being earned.

LB Rose Ranch
Cash Flow Summary - 2011 - 2014
(\$ in Millions)

	2011		2012		2013		2014		Forecast
									Total
Gross Receipts									
Real Estate	\$	0.4	\$	4.9	\$	0.1	\$	2.5	\$ 7.9
Loans		-		-		-		-	-
Private Equity/Principal Invest.		-		-		-		-	-
Derivatives		-		-		-		-	-
Other		-		-		-		-	-
Receipts, Subtotal		0.4		4.9		0.1		2.5	7.9
Non-Operating Disbursements									
Real Estate		-		-		-		-	-
Loans		-		-		-		-	-
Private Equity/Principal Invest.		-		-		-		-	-
Derivatives		-		-		-		-	-
Non-Operating Disbursements, Subtotal		-		-		-		-	-
Adjusted Receipts, Total		0.4		4.9		0.1		2.5	7.9
Operating Disbursements									
Professional Fees - Bankruptcy, Legal and Litigation		(0.1)		(0.1)		(0.0)		-	(0.2)
Compensation & Benefits (1)		(0.1)		(0.0)		(0.0)		-	(0.1)
Outsourced Services & IT		(0.0)		(0.0)		(0.0)		-	(0.0)
Other Operating Disbursements		(0.0)		(0.0)		(0.0)		-	(0.0)
Operating Disbursements, Total		(0.2)		(0.1)		(0.0)		-	(0.3)
Cash From Operations	\$	0.2	\$	4.8	\$	0.0	\$	2.5	\$ 7.6

(1) Expenses are on a cash basis - bonuses are paid in the year subsequent to being earned.

PAMI Statler
Cash Flow Summary - 2011 - 2014
(\$ in Millions)

	2011	2012	2013	2014	Forecast Total
Gross Receipts					
Real Estate	\$ 0.9	\$ 12.9	\$ -	\$ -	\$ 13.8
Loans	-	-	-	-	-
Private Equity/Principal Invest.	-	-	-	-	-
Derivatives	-	-	-	-	-
Other	-	-	-	-	-
Receipts, Subtotal	0.9	12.9	-	-	13.8
Non-Operating Disbursements					
Real Estate	(0.9)	(0.0)	-	-	(0.9)
Loans	-	-	-	-	-
Private Equity/Principal Invest.	-	-	-	-	-
Derivatives	-	-	-	-	-
Non-Operating Disbursements, Subtotal	(0.9)	(0.0)	-	-	(0.9)
Adjusted Receipts, Total	(0.0)	12.9	-	-	12.8
Operating Disbursements					
Professional Fees - Bankruptcy, Legal and Litigation	0.2	0.1	-	-	0.3
Compensation & Benefits (1)	(0.1)	(0.1)	-	-	(0.2)
Outsourced Services & IT	(0.0)	(0.0)	-	-	(0.1)
Other Operating Disbursements	(0.0)	(0.0)	-	-	(0.0)
Operating Disbursements, Total	-	-	-	-	-
Cash From Operations	\$ (0.0)	\$ 12.9	\$ -	\$ -	\$ 12.8

(1) Expenses are on a cash basis - bonuses are paid in the year subsequent to being earned.

Merit LLC
Cash Flow Summary - 2011 - 2014
(\$ in Millions)

	2011	2012	2013	2014	Forecast Total
Gross Receipts					
Real Estate	\$ -	\$ -	\$ -	\$ -	\$ -
Loans	-	-	-	-	-
Private Equity/Principal Invest.	-	-	-	-	-
Derivatives	-	-	-	25.0	25.0
Other	-	-	-	-	-
Receipts, Subtotal	-	-	-	25.0	25.0
Non-Operating Disbursements					
Real Estate	-	-	-	-	-
Loans	-	-	-	-	-
Private Equity/Principal Invest.	-	-	-	-	-
Derivatives	-	-	-	-	-
Non-Operating Disbursements, Subtotal	-	-	-	-	-
Adjusted Receipts, Total	-	-	-	25.0	25.0
Operating Disbursements					
Professional Fees - Bankruptcy, Legal and Litigation	(0.4)	-	-	-	(0.4)
Compensation & Benefits (1)	(0.4)	-	-	-	(0.4)
Outsourced Services & IT	(0.1)	-	-	-	(0.1)
Other Operating Disbursements	(0.0)	-	-	-	(0.0)
Operating Disbursements, Total	(1.0)	-	-	-	(1.0)
Cash From Operations	\$ (1.0)	\$ -	\$ -	\$ 25.0	\$ 24.0

(1) Expenses are on a cash basis - bonuses are paid in the year subsequent to being earned.

Debtor Total
Cash Flow Summary - 2011 - 2014
(\$ in Millions)

	2011	2012	2013	2014	Forecast Total
Gross Receipts					
Real Estate	\$ 2,090.1	\$ 3,698.4	\$ 1,790.0	\$ 2,913.6	\$ 10,492.1
Loans	1,676.7	793.3	1,166.2	1,074.3	4,710.5
Private Equity/Principal Invest.	758.5	359.5	940.3	221.4	2,279.7
Derivatives	2,562.8	1,375.8	566.4	343.8	4,848.7
Other	-	1,800.0	554.0	282.4	2,636.4
Receipts, Subtotal	7,088.1	8,027.0	5,016.8	4,835.4	24,967.3
Non-Operating Disbursements					
Real Estate	(273.7)	(83.6)	(16.0)	(6.0)	(379.4)
Loans	(21.2)	-	-	-	(21.2)
Private Equity/Principal Invest.	(2.6)	(1.4)	-	-	(4.1)
Derivatives	-	-	-	-	-
Non-Operating Disbursements, Subtotal	(297.5)	(85.1)	(16.0)	(6.0)	(404.6)
Adjusted Receipts, Total	6,790.5	7,942.0	5,000.8	4,829.5	24,562.8
Operating Disbursements					
Professional Fees - Bankruptcy, Legal and Litigation	(356.0)	(229.6)	(152.4)	(101.7)	(839.6)
Compensation & Benefits (1)	(259.6)	(180.6)	(149.1)	(123.5)	(712.8)
Outsourced Services & IT	(73.4)	(46.4)	(39.1)	(31.9)	(190.7)
Other Operating Disbursements	(41.7)	(29.8)	(27.7)	(40.5)	(139.8)
Operating Disbursements, Total	(730.7)	(486.5)	(368.3)	(297.6)	(1,883.0)
Cash From Operations	\$ 6,059.8	\$ 7,455.5	\$ 4,632.6	\$ 4,531.8	\$ 22,679.7

(1) Expenses are on a cash basis - bonuses are paid in the year subsequent to being earned.

Debtor-Controlled Entities
Cash Flow Summary - 2011 - 2014
(\$ in Millions)

	2011	2012	2013	2014	Forecast Total
Gross Receipts					
Real Estate	\$ 795.1	\$ 642.0	\$ 411.2	\$ 828.4	\$ 2,676.8
Loans	100.6	8.7	8.0	8.0	125.2
Private Equity/Principal Invest.	1,849.9	1,381.0	2,549.8	1,485.2	7,266.0
Derivatives	311.5	25.0	24.7	-	361.1
Other	2.5	-	-	133.4	135.9
Receipts, Subtotal	3,059.6	2,056.7	2,993.6	2,455.0	10,564.9
Non-Operating Disbursements					
Real Estate	(130.4)	(98.1)	(55.8)	(109.2)	(393.5)
Loans	-	-	-	-	-
Private Equity/Principal Invest.	(136.0)	(154.2)	(14.6)	(3.7)	(308.5)
Derivatives	-	-	-	-	-
Non-Operating Disbursements, Subtotal	(266.4)	(252.2)	(70.5)	(112.9)	(702.0)
Adjusted Receipts, Total	2,793.2	1,804.5	2,923.2	2,342.1	9,862.9
Operating Disbursements					
Professional Fees - Bankruptcy, Legal and Litigation	(38.0)	(29.1)	(20.2)	(13.7)	(100.9)
Compensation & Benefits (1)	(48.9)	(36.7)	(33.0)	(27.9)	(146.5)
Outsourced Services & IT	(13.7)	(7.7)	(5.6)	(4.1)	(31.1)
Other Operating Disbursements	(12.5)	(6.1)	(4.3)	(5.8)	(28.7)
Operating Disbursements, Total	(113.0)	(79.6)	(63.1)	(51.5)	(307.3)
Cash From Operations	\$ 2,680.1	\$ 1,724.9	\$ 2,860.0	\$ 2,290.6	\$ 9,555.6

(1) Expenses are on a cash basis - bonuses are paid in the year subsequent to being earned.

Grand Total
Cash Flow Summary - 2011 - 2014
(\$ in Millions)

	Actual (1)	Forecast					
		2Q2011 -					
	1Q2011	4Q2011	Total 2011	2012	2013	2014	Total
Gross Receipts							
Real Estate	\$ 490.3	\$ 2,394.9	\$ 2,885.2	\$ 4,340.4	\$ 2,201.2	\$ 3,742.0	\$ 13,168.8
Loans	312.5	1,464.8	1,777.3	802.1	1,174.1	1,082.2	4,835.7
Private Equity/Principal Invest.	299.2	2,309.2	2,608.4	1,740.5	3,490.1	1,706.6	9,545.6
Derivatives	427.3	2,446.9	2,874.2	1,400.8	591.0	343.8	5,209.8
Other	2.5	-	2.5	1,800.0	554.0	415.8	2,772.3
Receipts, Subtotal	1,531.9	8,615.7	10,147.7	10,083.7	8,010.4	7,290.4	35,532.3
Non-Operating Disbursements							
Real Estate	(114.0)	(290.2)	(404.2)	(181.7)	(71.8)	(115.2)	(772.9)
Loans	(14.1)	(7.1)	(21.2)	-	-	-	(21.2)
Private Equity/Principal Invest.	(23.0)	(115.6)	(138.6)	(155.6)	(14.6)	(3.7)	(312.5)
Derivatives	-	-	-	-	-	-	-
Non-Operating Disbursements, Subtotal	(151.1)	(412.8)	(563.9)	(337.3)	(86.5)	(118.9)	(1,106.6)
Adjusted Receipts, Total	1,380.8	8,202.9	9,583.7	9,746.4	7,924.0	7,171.5	34,425.7
Operating Disbursements							
Professional Fees - Bankruptcy, Legal and Litigation	(90.4)	(303.5)	(393.9)	(258.7)	(172.5)	(115.3)	(940.5)
Compensation & Benefits (2)	(151.5)	(157.0)	(308.5)	(217.3)	(182.1)	(151.4)	(859.4)
Outsourced Services & IT	(18.0)	(69.0)	(87.0)	(54.1)	(44.7)	(36.0)	(221.9)
Other Operating Disbursements	(20.2)	(34.0)	(54.2)	(35.9)	(32.0)	(46.3)	(168.5)
Operating Disbursements, Total	(280.1)	(563.6)	(843.7)	(566.1)	(431.4)	(349.1)	(2,190.3)
Cash From Operations (3)	\$ 1,100.7	\$ 7,639.3	\$ 8,740.0	\$ 9,180.4	\$ 7,492.6	\$ 6,822.4	\$ 32,235.4

(1) Actual cash receipts and expenses differ from Monthly Operating Reports due to reclassifications (See Section 6 of Exhibit 7 narrative).

(2) Expenses are on a cash basis - bonuses are paid in the year subsequent to being earned.

(3) Forecast Total excludes beginning cash of \$24.7 Billion and recoveries on intercompany receivables from Non-Controlled Affiliates of \$4.2 Billion.

Exhibit 8A

Significant Balances Among Affiliates

The Debtors participated in the Global Close of Lehman's books and records as of September 14, 2008. Since the Global Close, the Debtors have continued to review the records of the petition date balances, inclusive of intercompany activity. These reviews (which are ongoing) have resulted in adjustments to certain intercompany balances. For example, in cases where internal financing arrangements defaulted after September 14, 2008, the Debtors have reflected intercompany receivables (or payables), net of associated collateral.

Exhibit 8A contains pre-petition intercompany balances between significant Debtors, Debtor-Controlled Entities and Non-Controlled Affiliates as of December 31, 2010, reported from the general ledger in a summary manner. Certain intercompany claims that arise as a result of the Chapter 11 Cases are not yet reflected in these balances – see Exhibit 8B, which adjusts for these claims and events subsequent to December 31, 2010.

Information presented in this Exhibit 8A should be read in conjunction with the Debtors MORs. The information herein is subject to change, and any such change may be material.

Attached hereto are the following Annexes:

- Annex 8A-1 – Pre-Petition Intercompany Balances Between and Among the Debtors as of December 31, 2010
- Annex 8A-2 – Pre-Petition Intercompany Balances Among Significant Debtors and Certain Debtor-Controlled Entities as of December 31, 2010
- Annex 8A-3 – Pre-Petition Intercompany Balances Among Significant Debtors and Certain Non-Controlled Affiliates as of December 31, 2010

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Pre-Petition Balances Between and Among the Debtors as of December 31, 2010
(Unaudited)

\$ in Millions	LBHI			LBSF			LBCS		
	LBHI Receivable	LBHI (Payable)	Net Receivable / (Payable)	LBSF Receivable	LBSF (Payable)	Net Receivable / (Payable)	LBCS Receivable	LBCS (Payable)	Net Receivable / (Payable)
Lehman Brothers Holdings Inc.	\$ -	\$ -	\$ -	\$ 381	\$ (18,992)	\$ (18,611)	\$ 662	\$ (2,512)	\$ (1,850)
Lehman Brothers Special Financing Inc.	18,992	(381)	18,611	-	-	-	408	(0)	407
Lehman Brothers Commodity Services Inc.	2,512	(661)	1,851	0	(407)	(407)	-	-	-
Lehman Brothers Commercial Corporation	792	(402)	390	248	(113)	134	12	(8)	3
Lehman Commercial Paper Inc.	20,845	(2,421)	18,424	-	(115)	(115)	5	-	5
Lehman Brothers OTC Derivatives Inc.	444	-	444	8	-	8	-	-	-
Lehman Brothers Financial Products Inc.	1	-	1	202	-	202	-	-	-
Lehman Brothers Derivative Products Inc.	-	(2)	(2)	113	-	113	-	-	-
Luxembourg Residential Properties Loan Finance S.a.r.l.	-	-	-	-	-	-	-	-	-
LB 745 LLC	48	-	48	-	(8)	(8)	-	-	-
CES Aviation LLC	22	-	22	-	-	-	-	-	-
CES Aviation V LLC	8	-	8	-	-	-	-	-	-
CES Aviation IX LLC	9	-	9	-	-	-	-	-	-
Structured Asset Securities Corporation	588	-	588	0	-	0	-	-	-
East Dover Limited	4	-	4	-	(1)	(1)	-	-	-
Lehman Scottish Finance LP	-	-	-	-	-	-	-	-	-
LB Rose Ranch LLC	-	-	-	-	-	-	-	-	-
LB 2080 Kalakaua Owners LLC	-	-	-	-	-	-	-	-	-
BNC Mortgage LLC	1	-	1	-	-	-	-	-	-
LB Somerset LLC	-	-	-	-	-	-	-	-	-
LB Preferred Somerset LLC	-	-	-	-	-	-	-	-	-
PAMI Statler Arms LLC	0	-	0	-	-	-	-	-	-
Merit LLC	[1] 6	-	6	-	(21)	(21)	-	-	-
Total Debtors	44,272	(3,866)	40,406	951	(19,656)	(18,705)	1,086	(2,520)	(1,434)
Debtor-Controlled Entities	46,214	(24,095)	22,119	1,372	(69)	1,302	0	(0)	(0)
Non-Controlled Affiliates	53,895	(45,473)	8,422	5,639	(2,101)	3,538	2,157	(42)	2,115
Total Pre-Petition	\$ 144,380	\$ (73,434)	\$ 70,947	\$ 7,962	\$ (21,826)	\$ (13,865)	\$ 3,243	\$ (2,562)	\$ 681

General Notes:

- a) Differences between amounts owed to and from like entities result from rounding.
- b) All values that are exactly zero are shown as "-". Values between zero and \$500,000 appear as "0".

Footnote:

[1] Merit LLC has been reclassified from a Debtor-Controlled Entity to a Debtor. As a result, summary amounts herein may not agree to the December 2010 MOR.

Pre-Petition Balances Between and Among the Debtors as of December 31, 2010

(Unaudited)

\$ in Millions	LBCC			LCPI			LOTG		
	LBCC Receivable	LBCC (Payable)	Net Receivable / (Payable)	LCPI Receivable	LCPI (Payable)	Net Receivable / (Payable)	LOTG Receivable	LOTG (Payable)	Net Receivable / (Payable)
Lehman Brothers Holdings Inc.	\$ 402	\$ (792)	\$ (390)	\$ 2,418	\$ (20,846)	\$ (18,428)	\$ -	\$ (444)	\$ (444)
Lehman Brothers Special Financing Inc.	113	(248)	(134)	114	0	114	-	(8)	(8)
Lehman Brothers Commodity Services Inc.	8	(12)	(3)	-	(5)	(5)	-	-	-
Lehman Brothers Commercial Corporation	-	-	-	434	-	434	-	-	-
Lehman Commercial Paper Inc.	-	(434)	(434)	-	-	-	-	-	-
Lehman Brothers OTC Derivatives Inc.	-	-	-	-	-	-	-	-	-
Lehman Brothers Financial Products Inc.	-	-	-	-	-	-	-	-	-
Lehman Brothers Derivative Products Inc.	-	-	-	-	-	-	-	-	-
Luxembourg Residential Properties Loan Finance S.a.r.l.	-	-	-	-	-	-	-	-	-
LB 745 LLC	-	(0)	(0)	-	(25)	(25)	-	-	-
CES Aviation LLC	-	-	-	-	-	-	-	-	-
CES Aviation V LLC	-	-	-	-	-	-	-	-	-
CES Aviation IX LLC	-	-	-	-	-	-	-	-	-
Structured Asset Securities Corporation	-	-	-	0	(613)	(613)	-	-	-
East Dover Limited	-	-	-	-	(99)	(99)	-	-	-
Lehman Scottish Finance LP	-	-	-	-	-	-	-	-	-
LB Rose Ranch LLC	-	-	-	-	-	-	-	-	-
LB 2080 Kalakaua Owners LLC	-	-	-	-	-	-	-	-	-
BNC Mortgage LLC	-	-	-	-	-	-	-	-	-
LB Somerset LLC	-	-	-	-	-	-	-	-	-
LB Preferred Somerset LLC	-	-	-	-	-	-	-	-	-
PAMI Statler Arms LLC	-	-	-	-	-	-	-	-	-
Merit LLC	[1] -	-	-	238	-	238	-	-	-
Total Debtors	524	(1,485)	(962)	3,205	(21,589)	(18,384)	-	(452)	(452)
Debtor-Controlled Entities	0	(76)	(76)	7,259	(7,991)	(732)	-	-	-
Non-Controlled Affiliates	1,503	(268)	1,235	688	(1,564)	(876)	1,299	(405)	894
Total Pre-Petition	\$ 2,026	\$ (1,830)	\$ 197	\$ 11,151	\$ (31,144)	\$ (19,992)	\$ 1,299	\$ (857)	\$ 442

General Notes:

- a) Differences between amounts owed to and from like entities result from rounding.
- b) All values that are exactly zero are shown as "-". Values between zero and \$500,000 appear as "0".

Footnote:

[1] Merit LLC has been reclassified from a Debtor-Controlled Entity to a Debtor. As a result, summary amounts herein may not agree to the December 2010 MOR.

Part II
Pre-Petition Balances Between and Among the Debtors as of December 31, 2010
(Unaudited)

\$ in Millions	LBFP			LBDP		
	LBFP Receivable	LBFP (Payable)	Net Receivable / (Payable)	LBDP Receivable	LBDP (Payable)	Net Receivable / (Payable)
Lehman Brothers Holdings Inc.	\$ -	\$ (1)	\$ (1)	\$ 2	\$ -	\$ 2
Lehman Brothers Special Financing Inc.	-	(202)	(202)	-	(113)	(113)
Lehman Brothers Commodity Services Inc.	-	-	-	-	-	-
Lehman Brothers Commercial Corporation	-	-	-	-	-	-
Lehman Commercial Paper Inc.	-	-	-	-	-	-
Lehman Brothers OTC Derivatives Inc.	-	-	-	-	-	-
Lehman Brothers Financial Products Inc.	-	-	-	-	(0)	(0)
Lehman Brothers Derivative Products Inc.	0	-	0	-	-	-
Luxembourg Residential Properties Loan Finance S.a.r.l.	-	-	-	-	-	-
LB 745 LLC	-	-	-	-	-	-
CES Aviation LLC	-	-	-	-	-	-
CES Aviation V LLC	-	-	-	-	-	-
CES Aviation IX LLC	-	-	-	-	-	-
Structured Asset Securities Corporation	-	-	-	-	-	-
East Dover Limited	-	-	-	-	-	-
Lehman Scottish Finance LP	-	-	-	-	-	-
LB Rose Ranch LLC	-	-	-	-	-	-
LB 2080 Kalakaua Owners LLC	-	-	-	-	-	-
BNC Mortgage LLC	-	-	-	-	-	-
LB Somerset LLC	-	-	-	-	-	-
LB Preferred Somerset LLC	-	-	-	-	-	-
PAMI Statler Arms LLC	-	-	-	-	-	-
Merit LLC	-	-	-	-	-	-
Total Debtors	0	(204)	(204)	2	(113)	(111)
Debtor-Controlled Entities	-	(0)	(0)	-	-	-
Non-Controlled Affiliates	0	(1)	(1)	-	(11)	(11)
Total Pre-Petition	\$ 0	\$ (205)	\$ (205)	\$ 2	\$ (123)	\$ (121)

General Notes:

a) Differences between amounts owed to and from like entities result from rounding.

b) All values that are exactly zero are shown as "-". Values between zero and \$500,000 appear as "0".

Pre-Petition Balances Among Significant Debtors and Certain Debtor-Controlled Entities as of December 31, 2010

(Unaudited)

\$ in Millions		Jurisdiction	LBHI			LBSF			LBCS			LBCC			LCPI		
			LBHI Receivable	LBHI (Payable)	Net Receivable / Payable	LBSF Receivable	LBSF (Payable)	Net Receivable / Payable	LBCS Receivable	LBCS (Payable)	Net Receivable / Payable	LBCC Receivable	LBCC (Payable)	Net Receivable / (Payable)	LCPI Receivable	LCPI (Payable)	Net Receivable / (Payable)
Bamburg Investments (UK) Ltd.	[1]	UK	\$ 6,799	\$ 0	\$ 6,799	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
LB I Group Inc.		US	5,549	-	5,549	23	-	23	-	-	-	-	-	-	154	-	154
Property Asset Management Inc.		US	2,153	-	2,153	1	-	1	-	-	-	-	-	-	1,601	(631)	971
314 Commonwealth Ave Inc.		US	1,812	-	1,812	-	(3)	(3)	-	-	-	-	-	-	-	-	-
LB Offshore Partners Ltd.		Cayman	1,084	-	1,084	-	(0)	(0)	-	-	-	-	-	-	2	-	2
Luxembourg Finance S.a.r.l		Lux	1,036	-	1,036	24	-	24	-	-	-	-	-	-	-	-	-
Lehman Ali Inc.		US	(0)	(3,499)	(3,499)	-	(1)	(1)	-	-	-	-	-	-	3,740	-	3,740
Alnwick Investments (UK) Ltd.	[1]	UK	(0)	(5,168)	(5,168)	-	-	-	-	-	-	-	-	-	-	-	-
7th Avenue Inc.		US	-	-	-	1,000	-	1,000	-	-	-	-	-	-	-	(1,000)	(1,000)
Kenilworth Investments 2 Ltd.	[1]	Cayman	2,556	(4,717)	(2,161)	-	-	-	-	-	-	-	-	-	-	-	-
LB RE Financing No. 1 Limited	[2]	UK	8,035	-	8,035	-	-	-	-	-	-	-	-	-	-	-	-
LB RE Financing No. 2 Limited	[2]	UK	(0)	(6,791)	(6,791)	-	-	-	-	-	-	-	-	-	-	-	-
RACERS Trust	[3]	US	-	-	-	-	-	-	-	-	-	-	-	-	-	(5,250)	(5,250)
Other	[4]		6,771	(3,921)	2,850	323	(66)	258	0	(0)	(0)	0	(76)	(76)	1,762	(1,110)	652
<i>Balances Partially Subordinated</i>	[5]																
LB U.K. Holdings (Delaware) Inc.		US	8,511	-	8,511	-	-	-	-	-	-	-	-	-	-	-	-
LB Funding Corp II		US	1,502	-	1,502	-	-	-	-	-	-	-	-	-	-	-	-
Lehman Brothers Bancorp Inc.		US	407	-	407	-	-	-	-	-	-	-	-	-	-	-	-
Total			<u>\$ 46,214</u>	<u>\$ (24,095)</u>	<u>\$ 22,119</u>	<u>\$ 1,372</u>	<u>\$ (69)</u>	<u>\$ 1,302</u>	<u>\$ 0</u>	<u>\$ (0)</u>	<u>\$ (0)</u>	<u>\$ 0</u>	<u>\$ (76)</u>	<u>\$ (76)</u>	<u>\$ 7,259</u>	<u>\$ (7,991)</u>	<u>\$ (732)</u>

General Note:

a) All values that are exactly zero are shown as "-". Values between zero and \$500,000 appear as "0".

Footnotes:

[1] The entities' respective balances with LBHI are expected to be offset at a future date pursuant to an order of the Bankruptcy Court (refer to Docket No. 6300).

[2] Effective in 2010, LBHI became the manager of these entities (replacing LBIE). Such intercompany amounts have been reclassified from Non-Controlled Affiliates to Debtor Controlled Entities on LBHI's Balance Sheet.

[3] See Section IV.H.b - "The RACERS Transaction".

[4] Merit LLC has been reclassified from a Debtor-Controlled Entity to a Debtor. As a result, summary amounts herein may not agree to the December 2010 MOR.

[5] A portion of LBHI's receivables from these entities are subject to subordination.

LEHMAN BROTHERS HOLDINGS INC. and AFFILIATES
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 Pre-Petition Balances Among Significant Debtors and Certain Non-Controlled Affiliates as of December 31, 2010

(Unaudited)

\$ in Millions	Jurisdiction	LBHI			LBSF			LBCS			LBCC			LCPI		
				Net			Net			Net			Net			Net
		LBHI	LBHI	Receivable	LBSF	LBSF	Receivable	LBCS	LBCS	Receivable	LBCC	LBCC	Receivable	LCPI	LCPI	Receivable
		Receivable	(Payable)	/ (Payable)	Receivable	(Payable)	/ (Payable)	Receivable	(Payable)	/ (Payable)	Receivable	(Payable)	/ (Payable)	Receivable	(Payable)	/ (Payable)
Lehman Brothers Inc.	US	\$ 12,514	\$ (2)	\$ 12,512	\$ 2,846	\$ (83)	\$ 2,763	\$ 1,517	\$ (4)	\$ 1,514	\$ 696	\$ (0)	\$ 696	\$ 133	\$ (1)	\$ 133
Lehman Brothers Finance S.A.	Swiss	14,349	(24)	14,325	151	(516)	(365)	22	(16)	7	0	(20)	(20)	0	(314)	(314)
Lehman Brothers International (Europe)	UK	6,511	-	6,511	495	(30)	465	287	(2)	285	0	(25)	(25)	29	(90)	(61)
LB Asia Holdings Ltd.	HK	10,129	(35)	10,094	24	(37)	(12)	-	(9)	(9)	222	(0)	222	0	(0)	(0)
LB UK Financing Ltd.	UK	3,785	-	3,785	-	-	-	-	-	-	-	-	-	-	-	-
Lehman Brothers Bankhaus A.G.	[1] Ger	-	(1,390)	(1,390)	600	(714)	(114)	299	-	299	207	(1)	205	324	-	324
Lehman Brothers Commercial Corp Asia Ltd.	HK	1,296	-	1,296	34	(21)	13	-	-	-	64	(4)	60	-	-	-
Lehman Brothers (Luxembourg) S.A.	Lux	977	-	977	-	-	-	-	-	-	-	-	-	-	-	-
LB UK RE Holdings Ltd.	UK	910	-	910	24	-	24	-	-	-	0	-	0	-	-	-
Lehman Brothers Japan	Jap	501	-	501	129	(299)	(170)	1	-	1	119	(4)	114	0	-	0
Lehman Brothers Treasury Co. BV	ND	30	(33,343)	(33,313)	1,014	(0)	1,014	18	-	18	-	(28)	(28)	-	-	-
Lehman Brothers Securities NV	ND	0	(5,189)	(5,189)	-	(75)	(75)	-	-	-	-	(1)	(1)	-	-	-
LB SF No. 1 Ltd.	UK	0	(2,886)	(2,886)	2	-	2	-	-	-	-	-	-	-	-	-
Other		2,894	(2,604)	290	319	(326)	(6)	12	(11)	1	196	(184)	12	201	(1,159)	(958)
Total		<u>\$ 53,895</u>	<u>\$ (45,473)</u>	<u>\$ 8,422</u>	<u>\$ 5,639</u>	<u>\$ (2,101)</u>	<u>\$ 3,538</u>	<u>\$ 2,157</u>	<u>\$ (42)</u>	<u>\$ 2,115</u>	<u>\$ 1,503</u>	<u>\$ (268)</u>	<u>\$ 1,235</u>	<u>\$ 688</u>	<u>\$ (1,564)</u>	<u>\$ (876)</u>

General Note:

a) All values that are exactly zero are shown as "-". Values between zero and \$500,000 appear as "0".

Footnote:

[1] Pursuant to the February 2010 transaction with Bankhaus, an Allowed Claim against LCPI of \$1,016 million and an Allowed Claim against LBHI in the amount of \$1,381 million was recorded. The Allowed Claim against LBHI, will be settled less the amount of any distribution received by Bankhaus as a distribution on the Allowed Claim against LCPI. (See Exhibit 14A for further detail).

Exhibit 8B

**Reconciliation of Balance Sheets as of December 31, 2010
and Estimated Affiliate Claim Amounts**

The Debtors have prepared a reconciliation of pre-petition intercompany balances against LBHI and Participating Subsidiary Debtors at a summary-level. The tables attached in this Exhibit 8B reconcile the general ledger balances, as reported in Exhibit 8A, to Estimated Allowed Claims for Distribution as reported in the Recovery Analysis in Exhibit 4.

This reconciliation is intended to provide additional information for purposes of evaluating Affiliate Claims against LBHI and Participating Subsidiary Debtors. The information herein is subject to change, and any such change may be material. The reconciliation contains the following adjustments to the December 31, 2010 general ledger balances:

- Adjustments to general ledger balances: (i) events which occurred subsequent to December 31, 2010, which have not been reflected in the general ledger as of that date, such as the Bankhaus Claims Settlement Agreement; (ii) the impact of subordination provisions on certain intercompany balances; (iii) estimated additional intercompany derivative and other claims asserted by Non-Controlled Affiliates; and (iv) other adjustments for events expected to occur including, but not limited to, the offset of LBHI intercompany balances with certain Debtor-Controlled Entities, which has been authorized by the Bankruptcy Court.

- Intercompany Funding Balance Adjustment: a compromise between LBHI and Subsidiary Debtors reflecting a 20% reduction in the LBHI Intercompany Funding Balance for Distribution and setoff purposes only. See Exhibit 9.

- Affiliate Guarantees: an adjustment to reflect estimated Claims related to Guarantee Claims of Affiliates. Such claims have also been reduced to take into account the risk to such claimants of numerous issues, including (i) substantive consolidation and (ii) the enforceability of the Guarantee.

- Receivable and Offset Adjustment: to offset adjustments to general ledger balances, where applicable, and eliminate any remaining net receivable balances. Adjustments calculated on an entity by entity basis.

While the attached Annex sets forth the estimated Distributions for Affiliate Claims, it does not indicate the treatment that such claims will receive under the Plan. Ultimately, because many of these Claims will be included in different classes, they will each receive a different treatment under the Plan.

Attached hereto is the following Annex:

- Annex 8B-1 – Reconciliation of Pre-Petition Intercompany Balances to Adjusted Claims for Distribution against LBHI and Participating Debtors

LEHMAN BROTHERS HOLDINGS INC. and AFFILIATES
 Part II Pg 134 of 168
 Reconciliation of Pre-Petition Balances among Affiliates to Adjusted Claims for Distribution
 (Unaudited)

\$ in Millions

	LBHI						LBSF					
	Per General Ledger		Intercompany		Receivable and Offset		Per General Ledger		Intercompany		Receivable and Offset	
			Funding Balance	Affiliate Guarantee	Adjustments	Adjusted Claims for Distribution			Funding Balance	Affiliate Guarantee	Adjustments	Adjusted Claims for Distribution
	Rec./ (Pay.)	Adjustments	Adjustment				Rec./ (Pay.)	Adjustments	Adjustment			
Lehman Brothers Holdings Inc.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (18,611)	\$ -	\$ 2,979	\$ 291	\$ -	\$ (15,341)
Lehman Brothers Special Financing Inc.	18,611	-	(2,979)	(291)	(15,341)	-	-	-	-	-	-	-
Lehman Brothers Commodity Services Inc.	1,851	0	(502)	(335)	(1,013)	-	(407)	-	-	-	-	(407)
Lehman Brothers Commercial Corporation	390	-	(155)	(257)	-	(22)	134	-	-	-	(134)	-
Lehman Commercial Paper Inc.	18,424	(454)	(4,125)	(116)	(13,729)	-	(115)	-	-	-	-	(115)
Lehman Brothers OTC Derivatives Inc.	444	(250)	(39)	(0)	(155)	-	8	-	-	-	(8)	-
Lehman Brothers Financial Products Inc.	1	-	(0)	(0)	(1)	-	202	-	-	-	(202)	-
Lehman Brothers Derivative Products Inc.	(2)	-	-	-	-	(2)	113	-	-	-	(113)	-
LUXCO	-	-	-	-	-	-	-	-	-	-	-	-
LB 745 LLC	48	-	(10)	(2)	(36)	-	(8)	-	-	-	-	(8)
CES Aviation LLC	22	-	(4)	-	(17)	-	-	-	-	-	-	-
CES Aviation V LLC	8	-	(2)	-	(6)	-	-	-	-	-	-	-
CES Aviation IX LLC	9	-	(2)	-	(7)	-	-	-	-	-	-	-
Structured Asset Securities Corporation	588	-	(118)	-	(471)	-	0	-	-	-	(0)	-
East Dover Limited	4	-	(1)	(0)	(3)	-	(1)	-	-	-	-	(1)
Lehman Scottish Finance LP	-	-	-	-	-	-	-	-	-	-	-	-
LB Rose Ranch LLC	-	-	-	-	-	-	-	-	-	-	-	-
LB 2080 Kalakaua Owners LLC	-	-	-	-	-	-	-	-	-	-	-	-
BNC Mortgage LLC	1	-	(0)	(3)	-	(2)	-	-	-	-	-	-
LB Somerset LLC	-	-	-	-	-	-	-	-	-	-	-	-
LB Preferred Somerset LLC	-	-	-	-	-	-	-	-	-	-	-	-
PAMI Statler Arms LLC	0	-	-	-	(0)	-	-	-	-	-	-	-
Merit LLC	6	-	(1)	(26)	-	(21)	(21)	-	-	-	-	(21)
Subtotal Debtors	40,406	(704)	(7,937)	(1,031)	(30,780)	(47)	(18,705)	-	2,979	291	(457)	(15,892)
Debtor-Controlled Entities	22,119	(7,683)		(423)	(21,650)	(7,637)	1,302	(0)			(1,371)	(70)
Non-Controlled Affiliates	8,422	(756)		(12,526)	(52,791)	(57,651)	3,538	(3,697)			(3,938)	(4,096)
Total	\$ 70,947	\$ (9,143)	\$ (7,937)	\$ (13,980)	\$ (105,222)	\$ (65,336)	\$ (13,865)	\$ (3,697)	\$ 2,979	\$ 291	\$ (5,767)	\$ (20,058)

Intercompany Funding Balance Adjustment (2,979)
 Total \$ (23,037)

Estimated Allowed Claims ⁽¹⁾	
Class 4A	\$ (52,327)
Class 4B	(11,563)
Class 8	(1,446)
Total	\$ (65,336)

Estimated Allowed Claims ⁽¹⁾	
Class 5A	\$ (18,320)
Class 5B	(522)
Class 5C	(4,195)
Total	\$ (23,037)

(1) Per Recovery Analysis, Exhibit 4

Part II - Pg 133 of 168
Reconciliation of Pre-Petition Balances among Affiliates to Adjusted Claims for Distribution
(Unaudited)

\$ in Millions

	LBCS							LBCC						
	Per General Ledger		Intercompany Funding Balance		Receivable and Offset		Adjusted Claims for Distribution	Per General Ledger		Intercompany Funding Balance		Receivable and Offset		Adjusted Claims for Distribution
	Rec./(Pay.)	Adjustments	Adjustment	Guarantee	Adjustments			Rec./(Pay.)	Adjustments	Adjustment	Guarantee	Adjustments		
Lehman Brothers Holdings Inc.	\$ (1,850)	\$ (0)	\$ 502	\$ 335	\$ -	\$ (1,013)		\$ (390)	\$ -	\$ 133	\$ 257	-	\$ -	
Lehman Brothers Special Financing Inc.	407	-	-	-	(407)	-		(134)	-	-	-	-	(134)	
Lehman Brothers Commodity Services Inc.	-	-	-	-	-	-		(3)	-	-	-	-	(3)	
Lehman Brothers Commercial Corporation	3	-	-	-	(3)	-		-	-	-	-	-	-	
Lehman Commercial Paper Inc.	5	-	-	-	(5)	-		(434)	-	-	-	-	(434)	
Lehman Brothers OTC Derivatives Inc.	-	-	-	-	-	-		-	-	-	-	-	-	
Lehman Brothers Financial Products Inc.	-	-	-	-	-	-		-	-	-	-	-	-	
Lehman Brothers Derivative Products Inc.	-	-	-	-	-	-		-	-	-	-	-	-	
LUXCO	-	-	-	-	-	-		-	-	-	-	-	-	
LB 745 LLC	-	-	-	-	-	-		(0)	-	-	-	-	(0)	
CES Aviation LLC	-	-	-	-	-	-		-	-	-	-	-	-	
CES Aviation V LLC	-	-	-	-	-	-		-	-	-	-	-	-	
CES Aviation IX LLC	-	-	-	-	-	-		-	-	-	-	-	-	
Structured Asset Securities Corporation	-	-	-	-	-	-		-	-	-	-	-	-	
East Dover Limited	-	-	-	-	-	-		-	-	-	-	-	-	
Lehman Scottish Finance LP	-	-	-	-	-	-		-	-	-	-	-	-	
LB Rose Ranch LLC	-	-	-	-	-	-		-	-	-	-	-	-	
LB 2080 Kalakaua Owners LLC	-	-	-	-	-	-		-	-	-	-	-	-	
BNC Mortgage LLC	-	-	-	-	-	-		-	-	-	-	-	-	
LB Somerset LLC	-	-	-	-	-	-		-	-	-	-	-	-	
LB Preferred Somerset LLC	-	-	-	-	-	-		-	-	-	-	-	-	
PAMI Statler Arms LLC	-	-	-	-	-	-		-	-	-	-	-	-	
Merit LLC	-	-	-	-	-	-		-	-	-	-	-	-	
Subtotal Debtors	(1,434)	(0)	502	335	(416)	(1,013)		(962)	-	133	257	-	(572)	
Debtor-Controlled Entities	(0)	-	-		(0)	(0)		(76)	-			(0)	(76)	
Non-Controlled Affiliates	2,115	(390)	-		(1,745)	(20)		1,235	(260)			(1,449)	(473)	
Total	<u>\$ 681</u>	<u>\$ (390)</u>	<u>\$ 502</u>	<u>\$ 335</u>	<u>\$ (2,161)</u>	<u>\$ (1,033)</u>		<u>\$ 197</u>	<u>\$ (260)</u>	<u>\$ 133</u>	<u>\$ 257</u>	<u>\$ (1,449)</u>	<u>\$ (1,122)</u>	

Intercompany Funding Balance Adjustment (502)
Total \$ (1,535)

Estimated Allowed Claims ⁽¹⁾
Class 5A \$ (1,515)
Class 5B -
Class 5C (20)
Total \$ (1,535)

Intercompany Funding Balance Adjustment (133)
Total \$ (1,255)

Estimated Allowed Claims ⁽¹⁾
Class 5A \$ (133)
Class 5B (572)
Class 5C (550)
Total \$ (1,255)

(1) Per Recovery Analysis, Exhibit 4

LEHMAN BROTHERS HOLDINGS INC. and AFFILIATES
Part II Pg 138 of 168
Reconciliation of Pre-Petition Balances among Affiliates to Adjusted Claims for Distribution
(Unaudited)

\$ in Millions

\$ in Millions	LCPI						LOTG						
	Per General Ledger Rec./ (Pay.)		Intercompany		Receivable and Offset Adjustments	Adjusted Claims for Distribution	Per General Ledger Rec./ (Pay.)		Intercompany		Receivable and Offset Adjustments	Adjusted Claims for Distribution	
			Funding Balance Adjustment	Affiliate Guarantee					Funding Balance Adjustment	Affiliate Guarantee			
Lehman Brothers Holdings Inc.	\$ (18,428)	\$ 454	\$ 4,125	\$ 116	-	\$ (13,733)	\$ (444)	\$ 250	\$ 39	\$ 0	\$ -	\$ (155)	
Lehman Brothers Special Financing Inc.	114	-	-	-	(114)	-	(8)	-	-	-	-	(8)	
Lehman Brothers Commodity Services Inc.	(5)	-	-	-	-	(5)	-	-	-	-	-	-	
Lehman Brothers Commercial Corporation	434	-	-	-	(434)	-	-	-	-	-	-	-	
Lehman Commercial Paper Inc.	-	-	-	-	-	-	-	-	-	-	-	-	
Lehman Brothers OTC Derivatives Inc.	-	-	-	-	-	-	-	-	-	-	-	-	
Lehman Brothers Financial Products Inc.	-	-	-	-	-	-	-	-	-	-	-	-	
Lehman Brothers Derivative Products Inc.	-	-	-	-	-	-	-	-	-	-	-	-	
LUXCO	-	-	-	-	-	-	-	-	-	-	-	-	
LB 745 LLC	(25)	-	-	-	-	(25)	-	-	-	-	-	-	
CES Aviation LLC	-	-	-	-	-	-	-	-	-	-	-	-	
CES Aviation V LLC	-	-	-	-	-	-	-	-	-	-	-	-	
CES Aviation IX LLC	-	-	-	-	-	-	-	-	-	-	-	-	
Structured Asset Securities Corporation	(613)	-	-	-	-	(613)	-	-	-	-	-	-	
East Dover Limited	(99)	-	-	-	-	(99)	-	-	-	-	-	-	
Lehman Scottish Finance LP	-	-	-	-	-	-	-	-	-	-	-	-	
LB Rose Ranch LLC	-	-	-	-	-	-	-	-	-	-	-	-	
LB 2080 Kalakaua Owners LLC	-	-	-	-	-	-	-	-	-	-	-	-	
BNC Mortgage LLC	-	-	-	-	-	-	-	-	-	-	-	-	
LB Somerset LLC	-	-	-	-	-	-	-	-	-	-	-	-	
LB Preferred Somerset LLC	-	-	-	-	-	-	-	-	-	-	-	-	
PAMI Statler Arms LLC	-	-	-	-	-	-	-	-	-	-	-	-	
Merit LLC	238	-	-	-	(238)	-	-	-	-	-	-	-	
Subtotal Debtors	(18,384)	454	4,125	116	(786)	(14,476)	(452)	250	39	0	-	(163)	
Debtor-Controlled Entities	(732)	5,250			(6,570)	(2,052)	-	-			-	-	
Non-Controlled Affiliates	(876)	(892)			(314)	(2,081)	894	(10)			(1,299)	(414)	
Total	\$ (19,992)	\$ 4,813	\$ 4,125	\$ 116	\$ (7,670)	\$ (18,609)	\$ 442	\$ 240	\$ 39	\$ 0	\$ (1,299)	\$ (578)	
Intercompany Funding Balance Adjustment						(4,125)	Intercompany Funding Balance Adjustment						(39)
Total						\$ (22,734)	Total						\$ (616)
Estimated Allowed Claims ⁽¹⁾							Estimated Allowed Claims ⁽¹⁾						
Class 5A						\$ (17,857)	Class 5A						\$ (194)
Class 5B						(5)	Class 5B						(8)
Class 5C						(4,871)	Class 5C						(414)
Total						\$ (22,734)	Total						\$ (616)

Exhibit 9

Debtors' Claims Schedule

Because the Debtors and Debtor-Controlled Entities did not file proofs of Claim against the Debtors, the Claims of the Debtors and Debtor-Controlled Entities shall be based on, among other things, the amounts set forth on the books and records of the Debtors on the applicable Commencement Date, subject to reconciliation and adjustment. The Debtors' Claims Schedule, attached hereto and incorporated into the Plan, sets forth the estimated amounts of the Allowed Claims of each Debtor against another Debtor pursuant to the Plan. In many cases, these amounts may reflect setoff of mutual Claims between Debtors. All Claims of a Debtor against another Debtor that are not identified on the Debtors' Claims Schedule shall be forever disallowed. The information herein is subject to change, and any such change may be material.

Attached hereto are the following schedules:

- A. The Debtors' Claims Schedules
- B. The Intercompany Funding Balances between LBHI and Debtors
- C. LBHI's Adjusted Claims for Distribution against Debtors

9A

\$ in Millions	Receivable Entity (Claimant)										
	Lehman Brothers Holdings Inc.	Lehman Commercial Paper Inc.	Lehman Brothers Special Financing Inc.	Lehman Brothers Commercial Corporation	Lehman Brothers OTC Derivatives Inc.	Lehman Brothers Commodity Services Inc.	East Dover Limited	Structured Asset Securities Corporation	Lehman Scottish Finance LP	Luxembourg Residential Properties Loan Finance	Lehman Brothers Financial Products Inc.
Payable Entity (Claim Obligor)											
Lehman Brothers Holdings Inc.											
Class 4A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Class 4B	\$ -	\$ -	\$ -	\$ 22	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Class 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lehman Brothers Special Financing Inc.	\$ 18,320	\$ 114	\$ 0	\$ -	\$ -	\$ 407	\$ 1	\$ -	\$ -	\$ -	\$ -
Lehman Brothers Commodity Services Inc.	\$ 1,515	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lehman Brothers Commercial Corporation	\$ 133	\$ 434	\$ 134	\$ -	\$ -	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ -
Lehman Commercial Paper Inc.	\$ 17,857	\$ -	\$ -	\$ -	\$ -	\$ 5	\$ 100	\$ 613	\$ -	\$ 0	\$ -
Lehman Brothers OTC Derivatives Inc.	\$ 194	\$ -	\$ 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lehman Brothers Financial Products Inc.	\$ 1	\$ -	\$ 202	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lehman Brothers Derivative Products Inc.	\$ -	\$ -	\$ 113	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0
LUXCO	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
LB 745 LLC	\$ 46	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CES Aviation LLC	\$ 22	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CES Aviation V LLC	\$ 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
CES Aviation IX LLC	\$ 9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Structured Asset Securities Corporation	\$ 588	\$ -	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
East Dover Limited	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Lehman Scottish Finance LP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
LB Rose Ranch LLC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
LB 2080 Kalakaua Owners LLC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
BNC Mortgage LLC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
LB Somerset LLC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
LB Preferred Somerset LLC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PAMI Statler Arms LLC	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Merit LLC	\$ -	\$ 238	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

9A

\$ in Millions	Receivable Entity (Claimant)												
	Lehman Brothers Derivative Products Inc.	Merit LLC	CES Aviation LLC	LB 745 LLC	BNC Mortgage LLC	CES Aviation V LLC	CES Aviation IX LLC	LB 2080 Kalakaua Owners LLC	LB Somerset LLC	LB Preferred Somerset LLC	PAMI Statler Arms LLC	LB Rose Ranch LLC	
Payable Entity (Claim Obligor)													
Lehman Brothers Holdings Inc.													
Class 4A	\$ 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Class 4B	\$ -	\$ 21	\$ -	\$ -	\$ -	\$ 2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Class 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Lehman Brothers Special Financing Inc.	\$ -	\$ 21	\$ -	\$ -	\$ 8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Lehman Brothers Commodity Services Inc.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Lehman Brothers Commercial Corporation	\$ -	\$ -	\$ -	\$ -	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Lehman Commercial Paper Inc.	\$ -	\$ -	\$ -	\$ -	\$ 25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Lehman Brothers OTC Derivatives Inc.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Lehman Brothers Financial Products Inc.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Lehman Brothers Derivative Products Inc.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
LUXCO	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
LB 745 LLC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
CES Aviation LLC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0	\$ -	\$ -	\$ -	\$ -	-
CES Aviation V LLC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
CES Aviation IX LLC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Structured Asset Securities Corporation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
East Dover Limited	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Lehman Scottish Finance LP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
LB Rose Ranch LLC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
LB 2080 Kalakaua Owners LLC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
BNC Mortgage LLC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
LB Somerset LLC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
LB Preferred Somerset LLC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
PAMI Statler Arms LLC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Merit LLC	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-

9B

<i>\$ in Millions</i>	
Debtors	LBHI Intercompany Receivables - Intercompany Funding Balances
Lehman Commercial Paper Inc.	\$ 20,624
Lehman Brothers Special Financing Inc.	14,895
Lehman Brothers Commercial Corporation	775
Lehman Brothers OTC Derivatives Inc.	194
Lehman Brothers Commodity Services Inc.	2,512
East Dover Limited	4
Structured Asset Securities Corporation	588
Lehman Scottish Finance LP	-
Luxembourg Residential Properties Loan Finance S.a.r.l.	-
Lehman Brothers Financial Products Inc.	1
Lehman Brothers Derivative Products Inc.	-
Merit LLC	6
CES Aviation LLC	22
LB 745 LLC	48
BNC Mortgage LLC	1
CES Aviation V LLC	8
CES Aviation IX LLC	9
LB 2080 Kalakaua Owners LLC	-
LB Somerset LLC	-
LB Preferred Somerset LLC	-
PAMI Statler Arms LLC	-
LB Rose Ranch LLC	-
Total Intercompany Funding Balance	\$ 39,686

9C

\$ in Millions

Debtors

Lehman Brothers Special Financing Inc.	\$	15,341
Lehman Brothers Commodity Services Inc.		1,013
Lehman Brothers Commercial Corporation		-
Lehman Commercial Paper Inc.		13,733
Lehman Brothers OTC Derivatives Inc.		155
Lehman Brothers Financial Products Inc.		1
Lehman Brothers Derivative Products Inc.		-
LUXCO		-
LB 745 LLC		36
CES Aviation LLC		17
CES Aviation V LLC		6
CES Aviation IX LLC		7
Structured Asset Securities Corporation		471
East Dover Limited		3
Lehman Scottish Finance LP		-
LB Rose Ranch LLC		-
LB 2080 Kalakaua Owners LLC		-
BNC Mortgage LLC		-
LB Somerset LLC		-
LB Preferred Somerset LLC		-
PAMI Statler Arms LLC		0
Merit LLC		-

Exhibit 10

Reallocation of Distributions from Subordinated Notes to Senior Obligations

Redistribution from LBHI Class 10A

Subordinated Class 10A Notes

Subordinated Class 10A Notes include:

Distribution to claims in LBHI Class 10A (including amounts redistributed from LBHI Class 10C) are automatically redistributed pro rata to holders of Allowed Claims in the following Classes:

- (i) Senior Subordinated Deferrable Interest 5, issued pursuant to the **Eighth** **Indenture**, dated as of August 19, 2005, by PMorgan, as trustee;
- (ii) the Subordinated Notes due 2016 issued pursuant to a final term sheet, dated as of September 26, 2007, under the EuroMedium-Term Note Program;
- (iii) the Floating Rate Subordinated Notes due 2037 **Series EB 17**, issued pursuant to a final term sheet, dated as of January 23, 2007, under the Euro Medium-Term Note Program;
- (iv) the Fixed/Floating Rate Subordinated Notes due 2019 **Series 6222**, issued pursuant to the final term sheet, dated as of February 14, 2007, under the Euro Medium-Term Note Program; and
- (v) the Floating Rate Subordinated Notes due 2037 **Series EB 18**, issued pursuant to a final term sheet, dated as of May 30, 2007, under the Euro Medium-Term Note Program.

LBHI Class 3 - Senior Unsecured Claims

LBHI Class 4A - Senior Affiliate Claims

Redistribution from LBHI Class 10B

Subordinated Class 10B Notes

Subordinated Class 10B Notes include:

- (i) the 6.375% subordinated Deferrable Interest Debenture due 2032, issued pursuant to the **Fourth Supplemental Indenture**, dated as of March 1, 2006, between LBHI and JPMorgan, as trustee;
- (ii) the 6.375% Subordinated Deferrable Interest Debenture due 2032, issued pursuant to the **Fifth Supplemental Indenture**, dated as of March 1, 2006, between LBHI and JPMorgan, as trustee;
- (iii) the 6.00% Subordinated Deferrable Interest Debentures due 2032, issued pursuant to the **Sixth Supplemental Indenture**, dated as of April 1, 2006, between LBHI and JPMorgan, as trustee;
- (iv) the 6.24% Subordinated Deferrable Interest Debentures due 2054, issued pursuant to the **Seventh Supplemental Indenture**, dated as of January 18, 2005, between LBHI and JPMorgan, as trustee;
- (v) the 5.75% Subordinated Notes Due 2017, issued pursuant to the **Ninth Supplemental Indenture**, dated as of October 1, 2006, between LBHI and JPMorgan, as trustee;
- (vi) the Fixed and Floating Rate Subordinated Notes Due 2032, issued pursuant to the **Tenth Supplemental Indenture**, dated as of May 1, 2007, between LBHI and JPMorgan, as trustee;
- (vii) the 6.50% Subordinated Notes Due 2017, issued pursuant to the **Thirteenth Supplemental Indenture**, dated as of July 19, 2007, between LBHI and The Bank of New York, as trustee;
- (viii) the 6.875% Subordinated Notes Due 2037, issued pursuant to the **Fourteenth Supplemental Indenture**, dated as of July 19, 2007, between LBHI and The Bank of New York, as trustee;
- (ix) the 6.75% Subordinated Notes Due 2017, issued pursuant to the **Fifteenth Supplemental Indenture**, dated as of December 21, 2007, between LBHI and The Bank of New York, as trustee; and
- (x) the 7.50% Subordinated Notes Due 2038, issued pursuant to the **Sixteenth Supplemental Indenture**, dated as of May 9, 2008, between LBHI and The Bank of New York, as trustee.

Distribution to claims in LBHI Class 10B (including amounts redistributed from LBHI Class 10C) are automatically redistributed pro rata to holders of Allowed Claims in the following Classes:

LBHI Class 3 - Senior Unsecured Claims
LBHI Class 4A - Senior Affiliate Claims
LBHI Class 4B - Senior Affiliate Guarantee Claims
LBHI Class 5 - Senior Third-Party Guarantee Claims

Redistribution from LBHI Class 10C

Subordinated Class 10C Notes

Subordinated Class 10C Notes include:

Distribution to claims in LBHI Class 10C are automatically redistributed pro rata to holders of Allowed Claims in the following Classes:

(ii) the Floating Rate Revenue Debentures due 2040 pursuant to the **Supplemental Indenture**, dated as of May 17, 2007, between LBHI and trustee.

the Junior Subordinated Debentures pursuant to the **Eleventh Supplemental Indenture**, dated as of May 17, 2007, between LBHI and Bank National Association, as trustee; and the Marketable Junior Subordinated Debentures issued pursuant to the **Twelfth Supplemental Indenture**, dated as of May 17, 2007, between LBHI and Bank National Association, as trustee.

LBHI Class 3 - Senior Unsecured Claims

LBHI Class 4A - Senior Affiliate Claims

LBHI Class 4B - Senior Affiliate Guarantee Claims

LBHI Class 5 - Senior Third-Party Guarantee Claims

LBHI Class 10A - Subordinated Claims

LBHI Class 10B - Subordinated Claims

Definitions of Senior Debt

The governing agreements relating to the Subordinated Notes vary as to the obligations of LBHI that are designated “senior” to such Subordinated Notes and entitled to a reallocation of amounts otherwise distributable to the holders of the Subordinated Notes. This Exhibit contains the operative definitions included in the documents governing the Subordinated Notes. Based on these definitions, the Plan provides for the reallocation of distributions from the different Subordinated Note classes to the relevant “senior” classes of claims.

1. LBHI Subordinated Class 10A Notes

a. The Eighth Supplemental Indenture

The Indenture, dated as of February 1, 1996, as amended by the First Supplemental Indenture, dated as of February 1, 1996 (together, the “Indenture”) provides that:

The Company agrees, and each Holder of the Securities and related coupons by his acceptance thereof likewise agrees, that the payment of the principal of (and premium, if any) and interest, if any, on the Securities and related coupons is subordinated, to the extent and in the manner provided in this Article, to the prior payment in full when due of the principal of (and premium, if any) and interest, if any, on all Senior Debt.

See Indenture at §1401.

The **Eighth Supplemental Indenture**, dated as of August 19, 2005, provides that “Senior Debt” means:

(1) the principal, premium, if any, and interest in respect of (A) indebtedness for money borrowed by the Company and (B) indebtedness evidenced by securities, notes, debentures, bonds or other similar instruments issued by the Company;

(2) all of the Company’s capitalized lease obligations;

(3) all of the Company’s obligations representing the deferred purchase price of property; and

(4) all deferrals, renewals, extensions and refundings of obligations of the type referred to in clauses (1) through (3);

but Senior Debt does not include:

(a) any indebtedness that by its terms is subordinated to, or ranks on an equal basis with, subordinated debt securities; and

(b) indebtedness for goods or materials purchased in the ordinary course of business or for services obtained in the ordinary course of business or indebtedness consisting of trade payables.

See Eighth Supplemental Indenture at §1.7 (amending §1401 of the Indenture by replacing only the second paragraph in its entirety).

b. Series 5065, Series 6222, Series EB 17 and Series EB 18

The (1) Fixed/Floating Rate Subordinated Notes due 2016 **Series 5065**, issued pursuant to a final term sheet, dated as of September 26, 2006, under the EuroMedium-Term Note Program; (2) Floating Rate Subordinated Notes due 2037 **Series EB 17**, issued pursuant to a final term sheet, dated as of January 23, 2007, under the Euro Medium-Term Note Program; (3) Fixed/Floating Rate Subordinated Notes due 2019 **Series 6222**, issued pursuant to the final term sheet, dated as of February 14, 2007, under the Euro Medium-Term Note Program; and (4) Fixed Rate Subordinated Notes **Series EB 18**, issued by LBHI on June 1, 2007, as described in the Lehman Brothers UK Capital Funding V LP Prospectus, dated as of May 30, 2007, are all subject to the provisions of the Amended and Restated Fiscal Agency Agreement, dated August 9, 2006 (the "Fiscal Agency Agreement"). The Fiscal Agency Agreement provides, in part, that:

The Notes. . . will be subordinate and junior in right of payment, to all present or future Senior Debt.

"Senior Debt" means:

- (a) any indebtedness for money borrowed or evidenced by bonds, notes, debentures or similar instruments,
- (b) any indebtedness under capitalized leases,
- (c) any indebtedness representing the deferred and unpaid purchase price of any property or business, and
- (d) all deferrals, renewals, extensions and refundings of any such indebtedness or obligation;

except that the following does not constitute Senior Debt:

- (i) indebtedness evidenced by the Subordinated Debt, and
- (ii) indebtedness which is expressly made equal in right of payment with the Subordinated Debt or subordinate and subject in right of payment to the Subordinated Debt.

Additionally, in the case of LBHI, the following also does not constitute Senior Debt:

(x) indebtedness for goods or materials purchased in the ordinary course of business or for services obtained in the ordinary course of business or indebtedness consisting of trade payables or

(y) indebtedness which is subordinated to any obligation of LBHI of the type specified in clauses (a) through (d) above.

The effect of clause (y) is that LBHI may not issue or assume any indebtedness for money borrowed which is junior to the Senior Debt and senior to the Subordinated Debt.

See Fiscal Agency Agreement at p. 46.

2. LBHI Subordinated Class 10B Notes

a. Supplemental Indentures 4, 5, 6 & 7

The (1) **Fourth Supplemental Indenture**, dated as of March 17, 2003; (2) **Fifth Supplemental Indenture**, dated as of October 31, 2003; (3) **Sixth Supplemental Indenture**, dated as of April 22, 2004; and (4) **Seventh Supplemental Indenture**, dated as of January 18, 2005, provide that:

The Company agrees, and each Holder of the Securities and related coupons by his acceptance thereof likewise agrees, that the payment of the principal of (and premium, if any) and interest, if any, on the Securities and related coupons is subordinated, to the extent and in the manner provided in this Article, to the prior payment in full when due of the principal of (and premium, if any) and interest, if any, on all Senior Debt.

“Senior Debt” means:

all obligations (whether now outstanding or hereafter created, assumed or incurred) for the payment of which the Company is responsible or liable as obligor, guarantor or otherwise in respect of all principal of (and premium, if any) and interest if any (including any interest, if any, accruing subsequent to the commencement of a proceeding in bankruptcy by or against the Company) on

(i) any indebtedness for money borrowed or evidenced by bonds, notes, debentures or similar instruments,

(ii) indebtedness under capitalized leases,

(iii) any indebtedness representing the deferred and unpaid purchase price of any property or business, and

(iv) all deferrals, renewals, extensions and refundings of any such indebtedness or obligation;

provided, that the following shall not constitute Senior Debt:

(a) indebtedness evidenced by the Securities and related coupons,

(b) indebtedness which is expressly made equal in right of payment with the Securities or subordinate and subject in right of payment to the Securities,

(c) indebtedness for goods or materials purchased in the ordinary course of business or for services obtained in the ordinary course of business or indebtedness consisting of trade payables, or

(d) indebtedness which is subordinated to any obligation of the type specified in clauses (i) through (iv) above.

See Indenture at §1401 (Supplemental Indentures 4, 5, 6 & 7 do not amend §1401 of the Indenture).

b. Supplemental Indentures 9, 10, 13, 14, 15 & 16

The (1) **Ninth Supplemental Indenture**, dated as of October 24, 2006; the **Tenth Supplemental Indenture**, dated as of May 1, 2007; (2) **Thirteenth Supplemental Indenture**, dated as of July 19, 2007; (3) **Fourteenth Supplemental Indenture**, dated as of July 19, 2007; (4) **Fifteenth Supplemental Indenture**, dated as of December 21, 2007; and (5) **Sixteenth Supplemental Indenture**, dated as of May 9, 2008, provide that:

The Company agrees, and each Holder of the Subordinated Notes and related coupons by his acceptance thereof likewise agrees, that the payment of the principal of (and premium, if any) and interest, if any, on the Subordinated Notes and related coupons is subordinated, to the extent and in the manner provided in this Article 14, to the prior payment in full when due of the principal of (and premium, if any) and interest, if any, on (i) all Senior Debt and (ii) under the circumstances described in Section 1412, Other Financial Obligations.

“Senior Debt” means:

all obligations (whether now outstanding or hereafter created, assumed or incurred) for the payment of which the Company is responsible or liable as obligor, guarantor or otherwise in respect of all principal of (and premium, if any) and interest if any (including any interest, if any, accruing subsequent to the commencement of a proceeding in bankruptcy by or against the Company) on

(i) any indebtedness for money borrowed or evidenced by bonds, notes, debentures or similar instruments,

(ii) indebtedness under capitalized leases,

(iii) any indebtedness representing the deferred and unpaid purchase price of any property or business,

(iv) indebtedness for money borrowed by another person that the Company guarantees, and

(v) all deferrals, renewals, extensions and refundings of any such indebtedness or obligation;

provided, that the following shall not constitute Senior Debt:

(a) indebtedness evidenced by the Subordinated Notes and related coupons,

(b) indebtedness which is expressly made equal in right of payment with the Subordinated Notes or subordinate and subject in right of payment to the Subordinated Notes,

(c) indebtedness for goods or materials purchased in the ordinary course of business or for services obtained in the ordinary course of business or indebtedness consisting of trade payables, or

(d) indebtedness which is subordinated to any obligation of the type specified in clauses (i) through (v) above.

“Other Financial Obligations” means:

all obligations (whether now outstanding or hereafter created, assumed or incurred) for the payment of which the Company is responsible or liable as obligor, guarantor or otherwise in respect of all principal of (and premium, if any) and interest if any

(including any interest, if any, accruing subsequent to the commencement of a proceeding in bankruptcy by or against the Company) in respect to derivative products (including without limitation, interest and foreign exchange rate contracts, commodity contracts and similar arrangements) except any such obligations that are expressly stated to have the same rank as or not to be senior to the Subordinated Notes.

See, e.g., Ninth Supplemental Indenture at § 2.3 (amending §1401 of the Indenture in its entirety).

3. LBHI Subordinated Class 10C Notes

The (1) **Eleventh Supplemental Indenture**, dated as of May 17, 2007, and (2) **Twelfth Supplemental Indenture**, dated as of May 17, 2007, provides that:

The Company agrees, and each Holder of the Junior Subordinated Debentures and related coupons by his acceptance thereof likewise agrees, that the payment of the principal of (and premium, if any) and interest, if any, on the Junior Subordinated Debentures and related coupons is subordinated, to the extent and in the manner provided in this Article 14, to the prior payment in full when due of the principal of (and premium, if any) and interest, if any, on (i) all Junior Subordinated Debentures⁸ and (ii) under the circumstances described in Section 1412⁹, Other Financial Obligations.

“Senior Debt” means:

⁸ The heading of this section reads “Section 1401. *Junior Subordinated Debentures Subordinated to Senior Debt and Other Financial Obligations.*” However, the first sentence of this definition states that the Junior Subordinated Debentures are subordinated to “all Junior Subordinated Debentures.” The Debtors believe that the reference to “all Junior Subordinated Debentures” was a typographical error and that the clear intent (as reflected in the definitive Junior Subordinated Debentures themselves) was to subordinate the Junior Subordinated Debentures to all Senior Debt.

⁹ Unlike Section 1412 of Supplemental Indentures 9, 10, 13, 14, 15 and 16, Section 1412 of Supplemental Indentures 11 and 12 makes no reference to Other Financial Obligations, but provides that under certain circumstances the subordination in Section 14 will cease to apply to the Junior Subordinated Notes. For various reasons, the Debtors believe that this is a drafting error in the documents and that it was intended that the Junior Subordinated Debentures are subordinated to “Other Financial Obligations” to the same extent as in Supplemental Indentures 9, 10, 13, 14, 15 and 16 – i.e., that “Other Financial Obligations” are entitled to “Excess Proceeds” only after “Senior Debt has been paid in full. However, because Senior Debt will not be satisfied in full, and, thus, there will be no “Excess Proceeds,” “Other Financial Obligations” are not classified as senior claims by the Plan. Thus, whether the Junior Subordinated Notes are subordinated to “Other Financial Obligations” under Supplemental Indentures 11 and 12 is irrelevant.

all obligations (whether now outstanding or hereafter created, assumed or incurred) for the payment of which the Company is responsible or liable as obligor, guarantor or otherwise in respect of all principal of (and premium, if any) and interest if any (including any interest, if any, accruing subsequent to the commencement of a proceeding in bankruptcy by or against the Company) on

(i) any indebtedness for money borrowed or evidenced by bonds, notes, debentures or similar instruments,

(ii) indebtedness under capitalized leases,

(iii) any indebtedness representing the deferred and unpaid purchase price of any property or business,

(iv) indebtedness for money borrowed by another person that the Company guarantees, and

(vi) all deferrals, renewals, extensions and refundings of any such indebtedness or obligation;

provided, that the following shall not constitute Senior Debt:

(a) indebtedness which is expressly made equal in right of payment with the Junior Subordinated Debentures or subordinate and subject in right of payment to the Junior Subordinated Debentures and

(b) indebtedness for goods or materials purchased in the ordinary course of business or for services obtained in the ordinary course of business or indebtedness consisting of trade payables.

“Other Financial Obligations” means:

all obligations (whether now outstanding or hereafter created, assumed or incurred) for the payment of which the Company is responsible or liable as obligor, guarantor or otherwise in respect of all principal of (and premium, if any) and interest if any (including any interest, if any, accruing subsequent to the commencement of a proceeding in bankruptcy by or against the Company) in respect to derivative products (including without limitation, interest and foreign exchange rate contracts, commodity contracts and similar arrangements) except any such obligations that are expressly stated to have the same rank as or not to be senior to the Junior Subordinated Debentures.

See e.g., Eleventh Supplemental Indenture at §3.8 (amending §1401 of the Indenture in its entirety).

Unlike the other definitions of “Senior Debt” set forth herein, the definition of “Senior Debt” in the Eleventh and Twelfth Supplemental Indentures does not specifically exclude as constituting Senior Debt any indebtedness that is subordinated to any other indebtedness of LBHI. Consequently, the LBHI Subordinated Class 10C Notes are subordinated to LBHI Subordinated Class 10A Notes and LBHI Subordinated Class 10B Notes, as well as other Senior Debt.

Exhibit 11

Structured Securities Valuation Methodologies

This exhibit sets forth the Structured Securities Valuation Methodologies that are applicable to all of the Structured Securities. The Structured Securities Valuation Methodology provides that, in the aggregate, the value of Structured Securities issued by (i) LBT is \$30,703,332,937 (ii) LBSN is \$964,238,804, (iii) LBHI is \$5,480,948,872, and (iv) certain other, smaller issuers such as Bankhaus, LBXP, and LBF is, in the aggregate, \$346,314,486. An update to the maximum Allowed Claim amounts for each specific security set forth on www.lehman-docket.com is forthcoming.

The value of the Structured Securities issued by LBT has increased by approximately \$150 million due to accrued interest applicable to specific issuances and approximately \$382 million due to the use of the September 15, 2008 exchange rates instead of the Global Close Exchange Rates (see Exhibit 15).

1. Categorization

In connection with evaluating the Structured Securities Claims, LBHI reviewed approximately 5,000 securities issuances. Based on the terms and characteristics of each of the Structured Securities, LBHI separated the Structured Securities into the three categories described below.

a. Par Par Notes

“Par Par Notes” are either (A) notes for which the terms of the contract provide for either (i) redemption at par at maturity (whether or not described as being “principal protected”) and that pay non-contingent periodic interest or (ii) redemption at par, no payments of interest and do not reflect any accrual yield; or (B) FMV Notes (as defined below) that are described as at least 90% principal protected. Notes that redeem at par may indicate so on their face or may indicate a redemption at par by a formula which calculates to a minimum of par. If there are any factors that may result in a holder of a note receiving less than par for a note upon maturity, the note is not classified as a Par Par Note. This analysis is made without any regard to the probability of redemption in an amount less than par.

b. Zero Coupon Notes

“Zero Coupon Notes” are notes that do not bear interest and were issued at a significant discount to their face amount (and such discount was not solely attributable to distribution fees paid to dealers). These notes specify an accrual yield in their terms and do not pay interest pursuant to their terms.

c. Fair Market Value Notes

Fair Market Value Notes (“FMV Notes”) are notes that cannot be included in either of the categories set forth in the two preceding paragraphs. Certain of the FMV Notes provide that a portion (less than 90%) of the final redemption amount is “protected” but interest is fully contingent, while others provide that the final redemption amount is fully contingent. In

classifying the FMV Notes, no consideration has been given to probabilities of contingencies occurring. The mere fact that the note is linked to the performance of an Underlying is enough to classify the instrument as a FMV Note. FMV Notes include, without limitation, (a) notes that redeem at par but pay contingent interest, (b) notes that are not redeemable at par and pay simple interest, (c) notes that are not redeemable at par and pay contingent interest and (d) notes that are not redeemable at par and pay no interest at all or pay simple interest for a time converting to contingent interest. The examples above are not intended to be an exhaustive list of the types of notes that are categorized as FMV Notes.

2. Lehman's Accounting Treatment of Structured Securities Prior to the Commencement Date

The Structured Securities Valuation Methodology takes into account Lehman's firm-wide accounting treatment of Structured Securities prior to the Commencement Date and applies the overlay of the Bankruptcy Code rules for determining the appropriate amount of Claims. Prior to the Commencement Date, Lehman's balance sheet included as a liability the Outstanding Notional Amount of Structured Securities, as adjusted to take into account (i) the fair value of such securities including the derivative portion (the "FV") and (ii) Lehman's credit risk; provided that with respect to the LBHI Structured Notes, after August 31, 2008, Lehman's balance sheet did not take into account Lehman's credit risk.

The fair value adjustment (the "FVA") is based on the value of Lehman's offsetting derivative hedge trade. In order to hedge exposure to the Structured Securities, certain of the Structured Securities Issuers entered into derivative contracts with other Lehman entities. The mark-to-market value of the derivative hedge was calculated as of the end of the day on September 12, 2008, based upon various Lehman internal derivative models in accordance with the methodology used on previous audited financials. Because interest continued to accrue over the weekend, the September 14, 2008 mark-to-market valuations represent mark-to-market valuations as of September 12, 2008 plus accrued interest on such valuations through the end of the day on September 14, 2008.

3. The Structured Securities Valuation Methodology

a. General Principles for Valuing Structured Securities Claims Based on Bankruptcy Code

The following general principles apply to the Structured Securities Methodology:

(i) A claim that arises from the Guarantee of an obligation is generally treated no differently under section 502 of the Bankruptcy Code than a direct claim arising from the same obligation would be treated under the Code.

(ii) Under section 502(b) of the Bankruptcy Code, the Bankruptcy Court must determine the amount of a claim as of the Commencement Date. Consequently, interest stops accruing (for Par Par Notes and FMV Notes that bear interest) and stops accreting (for Zero Coupon Notes) as of the Commencement Date.

(iii) Acceleration of the Structured Securities is not discussed herein because based on the information available there were no Structured Securities accelerated as of the Commencement Date. Any attempted acceleration after the Commencement Date is disregarded because a creditor may not accelerate debt post petition without first seeking relief from the automatic stay. *See, e.g., In re PCH Assocs.*, 122 B.R. 181, 198 (Bankr. S.D.N.Y. 1990) (“A post-filing acceleration of the Note[] would clearly have violated the automatic stay of section 362 of the Code and, therefore, would have been null and void.”); *In re Texaco Inc.*, 73 B.R. 960, 967 (Bankr. S.D.N.Y. 1987) (holding that acceleration of the debt under the contract’s terms was proscribed by the automatic stay); *In re Manville Forest Prods. Corp.*, 43 B.R. 293, 298 (Bankr. S.D.N.Y. 1984) (explaining that “tak[ing] overt steps to accelerate the debt without first seeking a modification of the stay ... would have violated the stay.”), *aff’d in part*, 60 B.R. 403 (S.D.N.Y. 1986). As a result, acceleration notices received by LBHI after the Commencement Date in violation of the automatic stay are void and have no effect on claims amounts. *See Eastern Refractories Co. Inc. v. Forty Eight Insulations Inc.*, 157 F.3d 169, 172 (2d Cir. 1998) (“any proceedings or actions [that violate the automatic stay] are void and without vitality if they occur after the automatic stay takes effect.”).

(iv) A credit value adjustment (“CVA”) using LBHI’s credit spread as of the Commencement Date is not included for the purpose of determining an Allowed Claim under section 502 of the Bankruptcy Code. Accordingly, LBHI’s method of determining Structured Securities Claims will add-back the reduction in the Structured Securities liabilities set forth on Lehman’s books and records that recognized the credit spread as of the Commencement Date (the “CVA Add-Back”). In addition, for the reasons set forth below, in determining Allowed Claims for Structured Securities the FVA should only apply to FMV Notes. Accordingly, for all categories of Structured Securities *except* FMV Notes, any discount taken on account of the FVA is added back (the “FVA Add-Back”).

b. Application of the General Principles to Structured Securities

(i) Par Par Notes

With respect to Par Par Notes, Allowed Claims will be equal to the sum of the principal amount *plus* any matured interest (whether or not such interest is contingent) as of the Commencement Date, regardless of principal protection. To the extent that interest is unmatured as of the Commencement Date, it is disallowed. The Allowed Claim amount includes a CVA Add-Back and an FVA Add-Back that adjusts the fair market value of the note to the original notional of the outstanding issue. Par Par Notes with greater than 100% principal protection are limited to the original notional of the outstanding issue.

(ii) Zero Coupon

With respect to Zero Coupon Notes, Allowed Claims will be equal to the sum of the issue price *plus* any accreted interest as of the Commencement Date. The Allowed Claim amount includes a CVA Add-Back and an FVA Add-Back calculated based on the difference between the fair market value and the original issuance yield to adjust the value of the note back to the original issuance yield.

(iii) FMV Notes

With respect to the FMV Notes, if a Claim is contingent or unliquidated, the Claim is estimated under section 502(c) of the Bankruptcy Code using “whatever method is best suited to the particular contingencies at issue.” *See Bittner v. Borne Chemical Co., Inc.*, 691 F.2d 134, 135 (3d Cir. 1982). The method of estimation must be (1) suited to the circumstances and (2) accommodate the underlying purposes of the Bankruptcy Code. *See id.* The point is to recognize what the creditor bargained for, while avoiding a windfall to any party.

The FMV Notes present unique circumstances and challenges due to the diversity and complexity of their structures, the number of issuers and consequent intercompany relationships they entail, and the numerosity and dispersion of investors. Estimating the value of a FMV Note by the replacement cost of the lost investment (*i.e.*, its fair market value) as of the Commencement Date achieves these objectives, is economically realistic, promotes certainty, and eases the administration of the estate, because it follows LBHI’s pre-petition internal accounting methodology.

Prior to the Commencement Date, Lehman’s fair market value determination inherently incorporated the concept of discounting expected cash flows back to the Commencement Date using a market rate plus LBHI’s credit spread. For purposes of the Structured Securities Methodology, however, a CVA Add-Back (but no FVA Add-Back) is applied in order to eliminate the discount for LBHI’s credit spread as of the Commencement Date. The fair value of the FMV Notes includes matured interest through the calculation date. Consequently, there is no separate add-back for matured interest.

**c. Application of the Structured Securities Valuation
Methodology to the Structured Securities**

Based upon the Structured Securities Methodology, the Allowed Claims for each category of Structured Securities have been calculated and are included below. In addition, the proposed valuation for each Structured Security issued by LBHI, LBT, and LBSN, listed by ISIN, is set forth on www.lehman-docket.com (the proposed ISIN by ISIN valuation for each Structured Security issued by LXSP, LBB and LBF will also be set forth on www.lehman-docket.com in due course).

LBT Allowed Claims Summary

			A	B	C	A + B + C ≤ D	E	F	D + E + F = G
Valuation Category	# of ISINs	% of LBT Total Notional	FV with CVA	CVA Add-Back	FVA Add-Back	Subtotal	Accrued Interest	Foreign Exchange Adjustment	Allowed Claims (see Note 1)
FAIR MARKET VALUE NOTES	2,192	36%	\$8,120,941,312	\$834,000,998	\$0	\$9,016,634,081	\$0	\$85,516,078	\$9,102,150,159
PAR PAR NOTES	1,589	60%	17,260,073,745	1,888,576,795	899,899,465	20,048,550,005	148,073,907	277,755,963	20,474,379,875
ZERO COUPON NOTES	42	4%	784,033,099	182,044,408	43,325,413	1,009,402,920	0	18,606,356	1,028,009,276
To Be Determined (see Note 2)	20	0%	84,994,029	3,151,117	9,797,114	97,942,260	0	851,367	98,793,627
LBT Totals	3,843	100%	\$26,250,042,185	\$2,907,773,318	\$953,021,992	\$30,172,529,266	\$148,073,907	\$382,729,764	\$30,703,332,937

Notes:

1. The Allowed Claims amount by ISIN is floored at \$0, therefore A + B + C may be less than or equal to D, except for Par Par notes which are limited to Par.
2. The classification of To Be Determined (TBD) refers to those issuances for which there is insufficient data in order to properly review and categorize. An FVA Add Back is applied to these issuances on the assumption that all TBDs are Par Par notes.

LBHI Structured Debt Allowed Claims Summary

Valuation Category	# of ISINs	% of LBHI Structured Debt Total Notional	A FV with CVA	B CVA Add-Back	C FVA Add-Back	D Accrued Interest	A + B + C + D ≤ E Allowed Claims (see Note 1)
FAIR MARKET VALUE NOTES	213	26%	\$1,145,126,151	\$55,514,736	\$0	\$8,647,242	\$1,209,993,155
PAR PAR NOTES (see Note 2)	343	62%	3,240,463,704	415,831,282	(112,235,494)	22,050,782	3,566,110,274
To Be Determined (see Note 3)	44	12%	681,750,051	26,419,805	(9,917,815)	6,593,402	704,845,443
LBHI Structured Debt Totals	600	100%	\$5,067,339,906	\$497,765,823	(\$122,153,309)	\$37,291,426	\$5,480,948,872

Notes:

1. The Allowed Claims amount by ISIN is floored at \$0, therefore A + B + C + D may be less than or equal to E, except for Par Par notes which are limited to Par.
2. The aggregate FVA Add-Back is negative for LBHI Structured Debt because as of LBHI's Commencement Date, certain FMV Notes that are at least 90% principal protected, and are therefore categorized as Par Par Notes, had a fair market value that exceeded par.
3. The classification of To Be Determined (TBD) refers to those issuances for which there is insufficient data in order to properly review and categorize. An FVA Add Back is applied to these issuances on the assumption that all TBDs are Par Par notes.

LBSN Allowed Claims Summary

Valuation Category	# of ISINs	Allowed Claims
FAIR MARKET VALUE CERTIFICATES AND WARRANTS	292	\$888,570,526
PAR PAR CERTIFICATES	2	2,950,980
To Be Determined (see Note 1)	22	72,717,298
LBSN Totals	316	\$964,238,804

Notes:

1. The
classificatio
n of To Be
Determined
(TBD)
refers to

those issuances for which there is insufficient data in order to properly review and categorize.

Exhibit 12

Plan Adjustment Percentages

LCPI

<u>Class</u>	<u>Claims</u>	<u>Plan Adjustment Percentage</u>
4A	General Unsecured Claims other than those of Designated Entities against LCPI	14%
4B	General Unsecured Claims of Designated Entities against LCPI	20%
5B	Affiliate Claims of Participating Subsidiary Debtors against LCPI	20%
5C	Affiliate Claims other than those of Participating Debtors against LCPI	14%

LBCS

<u>Class</u>	<u>Claims</u>	<u>Plan Adjustment Percentage</u>
4	General Unsecured Claims against LBCS	14%
5B	Affiliate Claims of Participating Subsidiary Debtors against LBCS	20%
5C	Affiliate Claims other than those of Participating Debtors against LBCS	14%

LBSF

<u>Class</u>	<u>Claims</u>	<u>Plan Adjustment Percentage</u>
4A	General Unsecured Claims other than those of the Racers Trusts against LBSF	6%
5B	Affiliate Claims of Participating Subsidiary Debtors against LBSF	20%
5C	Affiliate Claims other than those of Participating Debtors and the Racer Trusts against LBSF	6%

LOTG

<u>Class</u>	<u>Claims</u>	<u>Plan Adjustment Percentage</u>
4	General Unsecured Claims against LOTG	8%
5B	Affiliate Claims of Participating Subsidiary Debtors against LOTG	20%
5C	Affiliate Claims other than those of Participating Debtors against LOTG	8%

LBCC

<u>Class</u>	<u>Claims</u>	<u>Plan Adjustment Percentage</u>
4	General Unsecured Claims against LBCC	10%
5B	Affiliate Claims of Participating Subsidiary Debtors against LBCC	20%
5C	Affiliate Claims other than those of Participating Debtors and LBHI Structure Entities against LBCC	10%

Exhibit 13

Participating Subsidiary Debtor Convenience Class Distribution Percentage

Participating Subsidiary Debtor	Convenience Class Distribution Percentage
LCPI	60%
LBSF	32%
LBCC	40%
LBCS	55%
LOTC	34%

Exhibit 14A

Bankhaus Settlements

1. Loans Settlement Agreement

Prior to the Commencement Date, with respect to commercial and real estate loans, LBHI, LCPI, and Lehman ALI (collectively, the “Lehman Parties”) and Bankhaus periodically entered into transactions with one another, or their wholly owned subsidiaries, whereby one of the parties acted as the lender of record and/or agent (the “Lender”) for certain loans, and the other party or parties would acquire interests in those loans through a participation (the “Participant”). Following the Commencement Date, a dispute arose among the Lehman Parties and Dr. Michael C. Frege, the Foreign Administrator of Bankhaus, over the ownership of certain of the loans. The Lehman Parties and Dr. Frege entered into a settlement agreement (the “Bankhaus Loans Settlement Agreement”) pursuant to which, the Lehman Parties acquired 86 loans with a total outstanding principal balance due of approximately \$2.9 billion, for a net purchase price of approximately \$1 billion, which amount accounts for (i) litigation risks associated with the dispute, and (ii) commercial risks attendant to collections. Other loans that were not a part of the dispute were also included in the transaction, and were acquired by the Lehman Parties at a discount. The Bankhaus Loans Settlement Agreement also provided that certain Claims of Bankhaus with respect to other participations will be Allowed as general unsecured Claims against LCPI, in the amount of \$1,015,500,000 (the “Allowed Claim Against LCPI”), and against LBHI, in the amount of \$1,380,900,000 (less the amount of any distributions that are received by Bankhaus as a distribution on the Allowed Claim Against LCPI). Such Claim against LBHI will be treated as a Senior Affiliate Guarantee Claim in LBHI Class 4B. The Allowed Claim Against LCPI is treated as a Affiliate Claim in Class 5C. The Bankhaus Loans Settlement Agreement further provides that LCPI and LBHI may not setoff claims held against Bankhaus against the Claims deemed Allowed by the Bankhaus Loans Settlement Agreement.

2. Claims Settlement Agreement and Plan Support

On March 1, 2011, the Debtors and certain Debtor-Controlled Entities entered into a settlement agreement with Bankhaus (the “Bankhaus Claims Settlement Agreement”), a copy of which is annexed hereto as Exhibit 14B. Pursuant to such agreement, the parties agreed that the Plan would incorporate and seek approval for a settlement of the allowed amount of all Claims of the Debtors and certain Debtor-Controlled Entities against Bankhaus, and all Claims of Bankhaus against the Debtors, and released each other from and against all other claims. A summary of the Allowed Claims of each party is set forth in the table below.

Pursuant to the Bankhaus Claims Settlement Agreement, Bankhaus agreed to vote to accept the Plan, subject to being properly solicited pursuant to an approved disclosure statement under section 1125 of the Bankruptcy Code. Furthermore, Bankhaus agreed neither to object to the Plan nor to support or participate in the formulation of any other chapter 11 plan, and not to object to the Claims of any Foreign Debtors that have entered into similar plan settlement agreements with the Debtors. Similarly, the Debtors have agreed to support an insolvency plan in Bankhaus’s liquidation (if Bankhaus elects to propose an insolvency plan), provided that the Debtors are afforded an opportunity to review the insolvency plan and are

reasonably satisfied that its terms are consistent with the terms of the Bankhaus Claims Settlement Agreement.

The Bankhaus Claims Settlement Agreement provides for certain termination rights, including that the LBB InsAdmin may terminate the Bankhaus Claims Settlement Agreement if (i) the Debtors make a material modification to the structure, classification or Distribution scheme under the Plan that would materially reduce recoveries to Bankhaus as set forth in herein, or (ii) if the Plan provides for materially different treatment of Claims held by other creditors that are factually and legally similar to the Claims of Bankhaus, resulting in such other creditors having a recovery entitlement in respect of said Claims that is materially higher than the recovery entitlement provided for in the Plan in respect of the Bankhaus's Allowed Claims. Similarly, the Debtors may terminate the agreement if the LBB InsAdmin allows and provides for materially different treatment of claims held by other creditors of Bankhaus that are factually and legally similar to the claims of the Debtors and certain Debtor-Controlled Entities, resulting in such other creditors having a recovery entitlement in respect of said claims that is materially higher than the recovery entitlement of the Debtors and the relevant Debtor-Controlled Entities.

The Bankhaus Claims Settlement Agreement is subject to (i) the confirmation of the Plan which incorporates the Bankhaus Claims Settlement Agreement and (ii) the necessary authority from Bankhaus' Creditors' Committee (*Gläubigerausschuss*) and Creditors Assembly (*Gläubigerversammlung*).¹⁰ The Debtors and the Creditors' Committee spent a significant amount of time and efforts analyzing the various transactions between the Debtors and Bankhaus. The terms of the Bankhaus Claims Settlement Agreement are the result of more than two years of arms-length negotiations with the LBB InsAdmin. In the Debtors' business judgment the terms of the Bankhaus Claims Settlement Agreement are in the best interest of the Debtors' estates. The Debtors request that the Bankruptcy Court approve the settlement between the Debtors and Bankhaus pursuant to Bankruptcy Rule 9019.

As part of the Bankhaus Claims Settlement Agreement, the Debtors agreed to purchase from Bankhaus the notes issued by certain securitizations. On March 23, 2011, the Bankruptcy Court approved two note purchase agreements [Docket No. 15287] pursuant to which LBHI purchased all of Bankhaus's interests in notes issued by Spruce CCS, Ltd., Verano CCS, Ltd. and SASCO 2008-C2, LLC (the "Purchased Notes") with an aggregate outstanding principal amount of approximately \$1,543 million, free and clear of all liens, claims, and encumbrances, for an aggregate purchase price of \$957 million. LBHI agreed to purchase the Purchased Notes for two reasons. First, LBHI acquired the Purchased Notes at a discount to the outstanding principal amount, and has the opportunity to realize a profit in the long term from the Purchased Notes. Second, the acquisition of the Purchased Notes will enable the Debtors to maximize the value of real estate loans and commercial loans held by Spruce CCS, Ltd., Verano CCS, Ltd. and SASCO 2008-C2, LLC, and thus also maximize the value of the Debtors' interests in the other notes issued by and equity interest in Spruce CCS, Ltd., Verano CCS, Ltd. and SASCO 2008-C2, LLC. Specifically, by purchasing Bankhaus's interests in the Purchased

¹⁰ The Debtors are advised that Bankhaus has obtained the requisite authority from its Creditors' Committee and its Creditors' Assembly.

Notes, LBHI and LCPI have obtained control over 100% of the capital structure of such securitization issuers, thereby enabling the Debtors to manage the underlying assets more efficiently. The acquisition of the Purchased Notes is part of the Debtors' overall settlement with Bankhaus. To the extent the a chapter 11 plan incorporating the terms of the Bankhaus Claims Settlement Agreement is not confirmed on or before December 31, 2012, LBHI is obligated to pay an additional \$100 million dollars to Bankhaus as further consideration for Bankhaus's sale of its interest in note issued by SASCO 2008-C2.

Claims of Bankhaus		
Debtor	Amount	Description
LCPI	\$1,015,500,000 ¹¹	Security & Collateral Agreement
	Up to \$1,279,401,572 ¹²	Repurchase Agreement in connection with 7 th Avenue Program
LBHI	\$1,380,900,000 (less the amount of any distributions that are received by Bankhaus as a distribution on the Allowed Claim Against LCPI)	Security & Collateral Agreement
	\$6,425,000,000	Security & Collateral Agreement
	\$19,191,840	Guarantee of Lehman Programs Securities
	\$16,256,461	Guarantee of Derivative Contract
LBSF	Up to \$1.2 billion ¹³	Swap Agreements in connection with the 7 th Avenue Program
Claims of Debtors Against Bankhaus		
Debtor	Claim Amount	
LBSF	\$320,904,908 ¹⁴	
LBCC	\$101,979,146	
LBCS	\$149,747,293	
LCPI	\$69,344,378 ¹⁵	

¹¹ This Claim was Allowed pursuant to the Bankhaus Loans Settlement Agreement.

¹² This Claim amount is subject to certain reductions, as described in detail in the Bankhaus Claims Settlement Agreement.

¹³ This Claim amount is subject to certain reductions, as described in detail in the Bankhaus Claims Settlement Agreement. A portion of this claim will be a secured claim and a portion will be an unsecured claim.

¹⁴ This Claim will be netted against Bankhaus's Claims against LBSF, reducing Bankhaus's Allowed Claims against LBSF.

¹⁵ This Claim will be netted against Bankhaus's Claims against LCPI, reducing Bankhaus's Allowed Claims against LCPI relating to the repurchase agreement in connection with the 7th Avenue transaction.